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Guards at the royal palace in Monte Carlo wore black armbands in honor of Princess Grace.

State Funeral Planned In Monaco Saturday For Princess Grace

MONTE CARLO — Princess Grace of Monaco, who died Tuesday from injuries suffered in a car accident the previous day, will be buried in a state funeral Saturday in Monaco's cathedral, the royal palace said Wednesday.

"Her serene highness, Princess Grace, died at the end of the day due to an intracerebral vascular hemorrhage," the palace said Tuesday night.

On Wednesday most businesses in this Mediterranean principality of 26,000 people were closed, including the famed casino. Hundreds of Monegasque citizens, many of them weeping, gathered at the palace to pay their last respects. On orders of her husband, Prince Rainier III, her coffin was placed in the palace's Palatine Chapel, which was opened to residents of Monaco.

Princess Grace, 52, was driving her Renault 2500 on a snail's pace at Cap d'Ail on Monday when she lost control. The car plunged down a 45-foot (14-meter) embankment, turning over several times.

The princess suffered multiple fractures, including a broken thigh, broken collarbone and broken ribs. Earlier Tuesday, the palace had said she was "suffering greatly" but had made no mention of head injuries and had given no indication that her life was in danger. The death announcement said she died at 10:30 P.M.

Monegasque authorities issued a formal statement to deny widespread rumors that Princess Stephanie was at the wheel of the car. She and Princess Grace were returning from a visit to the family's country house near La Turbie, in the hills above Monaco.

Messages of condolence arrived in Monaco from leaders around the world, including President Ronald Reagan, Queen Elizabeth II of Britain, President Francois Mitterrand of France and Prime Minister Charles Haughey of Ireland.

Princess Grace was asked in July by Pierre Salinger, an ABC correspondent, how she would like to be remembered.

"Well, I suppose I think mostly in terms of my children, and their children, how they will remember me," she replied. "I would like to be remembered as trying to do my job well, being understanding and kind."

Princess Grace's stately beauty and reserve gave her enduring celebrity long after she ended her film career.

Whether playing the heiress in "To Catch a Thief" or the Quaker pacifist in "High Noon" or the amandously detached career girl — a torn still in vogue when "Rear Window" was made — Grace Kelly carried herself with straight back and clipped-voice self-assurance. Yet just beneath the frosty exterior lay a sensuality and warmth that cracked the formidable reserve.

It was this delicate balance of contrasts that helped give her legendary status — a remarkable achievement for an actress whose career encompassed only 11 films. She made more of that small portfolio than actors who lasted in Hollywood many more decades.

Twice she was nominated for an Academy Award, and once she won it, for her performance in the 1954 film "Country Girl." There was a certain irony in the fact that the Oscar came not for her portrayal of yet another detached beauty but of the resigned, somewhat faded wife of an alcoholic actor (played by Bing Crosby).

Movie Career Ends Her film career came to an early end in 1956 when she married Prince Rainier. The year before she had been in Cannes filming "To Catch a Thief" with Cary Grant, and it was at the film festival there that she met the prince, a member of the Grimaldis, Europe's oldest royal family.

At first, their friendship seemed little more than a good story for



Princess Grace

the gossip columns. But before long it became clear that there was more than that to this relationship. He went to Philadelphia to spend a Christmas holiday with her family. Their engagement was announced two weeks later.

On April 18, 1956, shortly after she completed the movie "High Society," they were married in the Cathedral of St. Nicholas in Monaco.

With marriage, she abandoned acting. Periodically, there would be reports that she was indeed about to resume her career, but nothing ever came of them. "Here I have my obligations and duties as a princess and mother," she said. "One cannot do everything."

In her life as princess she became a supporter of charities and cultural events. Much of her time was devoted to her three children, the oldest of whom, Princess Caroline, was born in 1957. In recent years, Princess Caroline outranked her mother as a source of fascination for curiosity-seekers, mostly as a result of her marriage to and then divorce from Philippe Junot, a French businessman and playboy.

In recent years Princess Grace made occasional forays into show business, never for very long and usually to read prose or poetry for one benefit or another. She did take part in one movie five years ago — a delicate documentary about the Kirov Ballet school in Leningrad called "The Children of Theater Street." The princess narrated the film and appeared on screen briefly. But when, inevitably, the question arose whether she

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Slain Leader Is Buried in Family Town

BEIRUT — Bashir Gemayel, the slain president-elect of Lebanon, was memorialized Wednesday with a solemn Maronite Christian Mass in a church in the mountain village of Bikfaya, according to Beirut television and radio.

Mr. Gemayel died Tuesday when an explosion destroyed the Phalange Party headquarters, where he was attending a meeting. At least 25 senior party members, including several militia commanders, died with him.

For several hours reports circulated that Mr. Gemayel had survived. It took rescuers almost seven hours to disinter his body from the rubble of the three-story building in East Beirut's Astrafiyeh neighborhood. Identification was possible only through his wedding ring, police reported.

Camille Chamoun, the former president and overall political leader of the Christian Lebanese Front, which backed Mr. Gemayel's campaign for the presidency, said parliament was expected to meet before Sept. 23 to elect a new president. Mr. Gemayel was to have taken office that day.

President Elias Sarkis led the state funeral procession. He was flanked by Prime Minister Shafiq al-Wazzan and the country's political leaders. Before driving to Bikfaya, Mr. Sarkis conferred for several hours with Mr. Wazzan and other government officials. A government source said they discussed what steps to take to avoid letting the country drift back toward civil war.

Analysts said that if a new candidate did not appear quickly, Mr. Sarkis would come under great pressure to accept an extension of his term. This would require an amendment of the constitution, which bars an incumbent president from having a second consecutive term automatically.

In the past, Mr. Sarkis had refused suggestions that he continue.

Muslim Opposition Mr. Gemayel was elected despite strong Muslim opposition. Despite the divisions, many Lebanese had hoped that the country would soon return to normal under Mr. Gemayel's presidency.

Attempts to kill Mr. Gemayel had been made twice before, both with car bombs. Phalangists privately attributed the two previous attempts on supporters of Suleiman Franjeh, a former president, a Maronite, whose elder son, his wife, 3-year-old daughter and 29 bodyguards were slain in an attack on the Franjeh summer villa in the mountain town of Ehden in 1978. Mr. Gemayel's infant daughter was killed in 1980 when his limousine was blown up. He was not on the car.

No group has claimed responsibility for Mr. Gemayel's assassination.

Mr. Gemayel was born in Beirut on Nov. 10, 1947, the son of Pierre Gemayel, the leader of the newly founded Phalangist Party. The nationalist and fascist movements of Francisco Franco and Benito

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Israelis Back in West Beirut After Gemayel Assassination



The coffin bearing the body of President-elect Bashir Gemayel of Lebanon was carried through the streets of Bikfaya, his home village, 12 miles east of Beirut. He was buried on Wednesday.

Arafat Meets With Pope at Vatican, Blames Israel for Gemayel's Killing

VATICAN CITY — Yasser Arafat, chairman of the Palestine Liberation Organization, met Wednesday with Pope John Paul II for 20 minutes at the Vatican.

Earlier in the day, Mr. Arafat and the pope made comments on the assassination of President-elect Bashir Gemayel of Lebanon. At a news conference on his arrival in Rome, Mr. Arafat said Mr. Gemayel's assassination was "the continuation of the Israeli plan against Palestinian and Lebanese people, particularly Lebanese people."

Speaking in Arabic, Mr. Arafat said the killing was "an attempt to strike at Lebanese reconciliation and to offer a justification for the continuation of the Israeli occupation of Lebanon."

Israel has contended that the PLO was tied to the assassination. No group has claimed responsibility for the explosion Tuesday that killed Mr. Gemayel and at least 25 others.

Referring to news that Israeli troops had entered Muslim West Beirut hours after Mr. Gemayel's assassination, Mr. Arafat said the move violated the agreement that led to withdrawal of PLO forces from the city two weeks ago.

The pope condemned the assassination as an "insane act of violence."

After the 20-minute audience, the Vatican issued a statement in which the pope called for a Palestinian homeland, respect for Israel's security and an end to terrorism.

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Yasser Arafat, in Rome, said the assassination of Bashir Gemayel was bad for Lebanon.

excluding the recourse to arms and violence of any type, and above all terrorism and revenge, leads to the recognition of the rights of all peoples, and in particular, those of the Palestinian people to their own homeland and Israel to its security," the statement said.

Mr. Arafat was accompanied to his meeting with the pope by Ahmed Soukri Dajani and Hana Nasser, both members of the PLO's executive committee. The pontiff arrived after the PLO delegates entered the room, greeted the three and sat down alone with Mr. Arafat, officials said. They said Mr. Arafat was not armed with his pistol.

The three PLO members arrived in a bulletproof limousine and drove through a side entrance. As the 10-car motorcade drove

through the gate, Italian police jumped out with submachine guns and let only Mr. Arafat's car enter. Thirty-five minutes later, his car left the Vatican, followed by a police motorcade.

The Rev. Pierfrancesco Pastore, a Vatican spokesman, said Mr. Arafat was met at the entrance of Paul VI Hall by Monsignor Juliusz Pietz, a papal secretary, and escorted into the room.

He said the pope and Mr. Arafat "probably" conducted their discussion in English. Father Pastore said no significance should be attached to the fact that the audience had not taken place at the papal library in the Apostolic state, where the pope normally receives important guests.

Earlier, the Rev. Ibrahim Ayad, a Palestinian priest who heads the Catholic ecclesiastical court of Lebanon, told reporters that Mr. Arafat considered the papal audience "a turning point in the PLO's favor."

The papal audience was on the first day of Mr. Arafat's three-day visit. He later received a standing ovation at the annual meeting of the Inter-Parliamentary Union when he told the delegates, "I come as a messenger of peace" who wants "a democratic state of Palestine through peaceful means."

The Israelis boycotted the speech. Delegates from the United States and several West European countries remained seated during his address.

Mr. Arafat was later the guest of honor at a luncheon hosted by President Sandro Pertini at the presidential palace.

No representatives of the Italian government were at airport as Mr. Arafat landed, but 20 ambassadors from Arab and Third World countries greeted him.

Army Claims Push Intended To Keep Peace

By Loren Jenkins

Washington Post Service

BEIRUT — Israel's army drove deep into West Beirut on Wednesday in a four-pronged attack. A government spokesman in Jerusalem said the advance was designed to prevent "dangerous developments" after the assassination Tuesday of Lebanon's president-elect, Bashir Gemayel.

Muslim leaders alleged that the attack was long-planned and constituted a violation of the U.S.-mediated agreement that led to the evacuation of the Palestine Liberation Organization from Beirut after a 10-week siege by Israeli forces.

Flights by Israeli fighters low over the capital's apartment houses began at dawn and presaged advances by Israeli tanks, armored personnel carriers and infantrymen up three main highways south of the city.

By late afternoon, one Israeli column had moved to within 500 yards of the major east-west boulevard of Corniche Mazraa, which divides the southern part of West Beirut from the more populated residential district to the north.

The thrusts in the south were followed by a fourth Israeli assault out of East Beirut, near the city's port, toward the hotel district. This column had moved about five blocks westward by nightfall.

Hospital sources told Reuters that at least six people had been killed and 40 injured in Wednesday's fighting.

Former Prime Minister Saeb Salam, Lebanon's Moslem elder statesman, sent appeals to President Ronald Reagan and King Fahd of Saudi Arabia to intervene to "end the Israeli invasion," Lebanon's state television reported.

[The United States urged Israel to refrain from military action in Lebanon that would inflame tensions over the Gemayel assassination, Reuters reported from Washington.]

[The White House and State Department said no consideration was being given to sending U.S. troops to Lebanon in a renewal of the mission to oversee the withdrawal of Arab combatants from West Beirut.]

The move from positions north of the Beirut International Airport that they have occupied since the beginning of August began shortly after 5 A.M.

The Israelis moved past a line of recently deployed Lebanese Army soldiers who were meant to have acted as a buffer between the city and the Israelis. The Lebanese, according to United Nations observers, did not resist the Israeli advance.

The Israelis moved slowly up the three highways behind their armor, sending out squads of eight or 10 men forward to check buildings for snipers and return the fire of the few militiamen who met their assault.

Three Israeli gunboats lobbed cannon shells into the area just north of their tanks, and also into the Raouche district north of the Corniche Mazraa.

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Coalition in Bonn Fails To Resolve Differences

BONN — West Germany's coalition government failed to resolve its deep crisis Wednesday after sharp cabinet meeting exchanges between Chancellor Helmut Schmidt and the economics minister, Otto Lamsdorff.

"The differences in substance are by no means removed," said a government spokesman, Klaus Bolling. "I would not attempt with a single word to pour 'harmony' into this conflict."

Mr. Bolling told reporters that Mr. Schmidt had demanded a public pledge of loyalty to government policy from Mr. Lamsdorff, who has called for a radical shift in economic strategy with drastic wage cuts.

"Letter of Divorce" Denied Mr. Lamsdorff denied that his proposals this week to slash state spending were "a letter of divorce" for the 13-year alliance between himself and the liberal Free Democrats and Mr. Schmidt's Social Democratic Party.

The economics minister said his suggestions were intended "to solve problems" and did not mean he had abandoned government policy, Mr. Bolling said.

Mr. Lamsdorff has maintained that more public spending would paralyze growth and that government measures such as tax cuts

vate sector. Previous austerity efforts, he asserts, have failed to restore business confidence.

With apparent relief, ministers leaving the cabinet session said that the government was still standing, although they declined to forecast for how long.

Dispute Over New Report The latest and most serious crisis between Mr. Schmidt's party and Foreign Minister Hans-Dietrich Genscher's Free Democrats, of which Mr. Lamsdorff is a member, erupted last weekend over a report submitted by the economics minister to the chancellor.

In it, Mr. Lamsdorff proposed reducing welfare benefits, restricting workers' and tenants' rights, and cutting taxes for business to revive the faltering economy.

Mr. Schmidt said Tuesday that Mr. Lamsdorff's suggestions were in "flagrant contradiction" to government policy and were "a stunning contradiction to previous common economic, financial and social policy" the minister has supported as coalition policy since his appointment in 1978.

Sources in both political parties had predicted that the chancellor would seek Mr. Lamsdorff's resignation or dismissal Wednesday, but Mr. Bolling said neither word was mentioned in the meeting.

The spokesman also said the



Helmut Schmidt



Otto Lamsdorff

a parliamentary debate Thursday on the government's troubled 1983 budget. The economics minister will have a chance to set out his position publicly when he speaks in the debate.

Holger Börner, a leading member of Mr. Schmidt's party, has termed Mr. Lamsdorff's suggestions an attempt to introduce Reaganomics to West Germany.

Sources in the Free Democrats said that despite deep divisions in the party over the Lamsdorff proposals, other liberal ministers would back him against any attempt by Mr. Schmidt to seek his removal.

There have been increasing signs that Mr. Genscher is seeking the earliest chance to leave the coalition and form a government with the opposition Christian Demo-

month when the two parties attempt to bridge serious differences on meeting the huge shortfall expected in the 1983 budget. Before that, the state elections in Hesse Sept. 26 are regarded as a crucial indicator of the current voter mood.

The publication of Mr. Lamsdorff's suggestions — requested by Mr. Schmidt after the two men clashed at a cabinet meeting two weeks ago — provoked an almost unprecedented storm of public protest.

Mr. Lamsdorff proposed slashing maternity benefits, asked for loans rather than government grants to students, demanded greater private contributions for medical treatment and also urged that unemployment benefits be cut

INSIDE

■ France is seeking a \$4-billion commercial loan; the proceeds are to be used to help support the franc on foreign exchange markets. Page 9.

■ The widely held view that salt and other sodium intake should be reduced to prevent hypertension has been challenged by experts at a U.S. conference. Sciences, Page 6.

■ Deluxe U.S. hotels are being snatched up by John B. Coleman, who buys and revives the sort of midway that travelers associate with butlers around the clock and romantic spots in Europe. A report on the man and his methods appears in Style. Page 7.

■ Under pressure from some farmers, the Reagan administration is considering subsidies for American agricultural exports to make them more competitive with heavily subsidized Western European exports. Page 3.

■ The Reagan administration is reconsidering a decision to prohibit export to South Africa of metallurgical equipment that could be used in making critical components for nuclear weapons, government sources said. Page 5.

■ John Gardner, 49, a U.S. novelist, poet and teacher, was killed when his motorcycle ran off the road on a sharp turn and he was thrown off in an

Moderates Defeat Reagan Backers In Several U.S. Primary Elections

By David S. Broder

Washington Post Service

WASHINGTON — One of the most prominent northern Democratic supporters of President Ronald Reagan's conservative economic and social policies went down to defeat Tuesday, as Governor Edward J. King of Massachusetts lost his bid for renomination to former Governor Michael S. Dukakis.

On a day of victories for moderates and liberals in many states, Mr. Dukakis reversed his 1978 loss to Mr. King by a margin of 6 percentage points, 53 percent to 47. He thanked his supporters for giving him "a second chance," and said his victory was "a defeat for Reaganomics" that should be heeded "across the entire country."

Critics of Mr. Reagan's arms policies were cheered by the endorsement of a nuclear freeze resolution on the Wisconsin ballot, the first such statewide vote this year.

In another victory for moderates, Senator Robert T. Stafford, a Vermont Republican who was a target of conservative criticism for championing environmental legislation, won renomination over two challengers, James Guest, former Vermont secretary of state, won the Democratic senatorial nomination.

ment and Public Works Committee to advantage, Representative Clement J. Zablocki, the Wisconsin Democrat who heads the House Foreign Affairs Committee, used his prestige to turn back a serious challenge from Lynn Adelman, a state senator.

[Another Capitol Hill veteran, Senator Howard W. Cannon, defeated Representative James Santini by just 1,000 votes in the Democratic primary in Nevada, United Press International reported. Mr. Santini had accused Mr. Cannon of being out of touch with the state's conservative voters. Senator Cannon had assailed Mr. Santini for supporting President Reagan's economic program.]

The King-Dukakis battle was perhaps the highlight of the busiest primary election day of the year, with voters in 12 states and the District of Columbia picking nominees. The victories in most of the contested primaries went to Democrats and Republicans who were more moderate or liberal than their opponents.

A former Boston councilman, John W. Sears, was the winner of a Massachusetts Republican primary to

aided by late campaigning by Senator Edward M. Kennedy, who was unopposed for renomination on the Democratic slate.

But others attempting comebacks had less luck. In Minnesota, former Governor Rudy Perpich appeared to be losing the Democratic nomination for his old job to state Attorney General Warren Spannaus, a political protégé of former Vice President Walter F. Mondale. Mr. Spannaus appeared likely to face a Republican businessman, Wheelock Whitney, who defeated Lieutenant Governor Lou Wangberg. Mr. Wangberg was the choice of Governor Albert H. Quie, a Republican, who is retiring.

In Wisconsin, where another governorship was vacated by the retirement of Lee S. Dreyfus, Terry Kohler, also a Republican, won the nomination over Lowell Jackson.

But in the Democratic primary, Anthony S. Earl, a former legislator and natural resources administrator, was virtually tied with former Governor Martin J. Schreiber for the nomination.

■ Mayor Renominated in Capital In the District of Columbia Mayor Marion S. Barry Jr. defeated Patricia Roberts Harris, a former secretary of health, education

Brezhnev Spells Out A Six-Point Proposal For Peace in Mideast

By Serge Schmemmann
New York Times Service
MOSCOW — President Leonid I. Brezhnev issued a six-point summary Wednesday of Soviet positions on a Middle East settlement that he said were "not at variance" with the plan adopted by Arab leaders at their recent summit conference in Fez, Morocco.

Mr. Brezhnev spoke at a banquet for the leader of South Yemen, Ali Nasser Mohammed, a close ally of the Soviet Union.

But the remarks seemed directed more broadly at the 20 participants at the Fez meeting: their proposals appear to have frustrated Moscow by not explicitly endorsing Soviet participation in the peace process.

By casting existing Soviet positions into six points, Mr. Brezhnev appeared to be deliberately echoing the format in which the Arab leaders presented their eight-point program.

One difference was Moscow's specific reference to the need for mutual "respect for each other's sovereignty" between Israel and a future Palestinian state, while the Arab plan contained only tacit recognition of Israel's right to exist.

Israeli Pullout
The Soviet position as summarized by Mr. Brezhnev called for Israeli withdrawal from Arab lands occupied in 1967; the establishment of an independent Palestinian state in the West Bank and Gaza; the return of East Jerusalem to the Arabs with free access to holy places in all Jerusalem; assurances of security for all states in the region; an end to the state of war between Israel and Arab nations; and guarantees of the settlement by permanent members of the United Nations Security Council or by the Security Council as a whole.

Mr. Brezhnev emphasized that "this is precisely the way of settlement implied in our proposal to convene an international conference on the Middle East," a proposal which has been at the core of Soviet efforts to ensure a role for Moscow in the Mideast peace process.

Mr. Brezhnev further declared that "we positively assess" the principles adopted at the Fez summit conference.

"They are not at variance with what the Soviet Union has been struggling for many years now and which has been once again expressed by me above in a condensed form," he said.

Despite the similarity of stated positions, the phrase "positively assess" implied only a lukewarm Soviet endorsement in diplomatic jargon.

Soviet Frustration

According to diplomats here, the Soviet frustration has been not so much with the formal positions outlined by the Arabs — on which in any case the Arabs and Russians have never differed widely in public — as with the failure of the Fez meeting to openly reject President Ronald Reagan's proposal to mediate a Middle East settlement centered on a Palestinian state associated with the kingdom of Jordan.

The result of the Fez conference has been viewed by analysts as a possible negotiating position: issued in response to Mr. Reagan, and diplomats here believe it is this specter of Washington in a renewed role as sole mediator between the Arabs and Israel that is worrying Moscow.

In this context, Mr. Brezhnev's primary goal was seen as an attempt to reassert the Soviet claim to a role in any new peace process by reminding the Arabs of Moscow's political support for their case in the past.

Mr. Brezhnev's banquet speech was his second public reference to the Middle East in as many days. Tuesday, the Soviet leader addressed a telegram to Yasser Arafat, the leader of the Palestine Liberation Organization, warning that the United States was seeking to deny the Palestinians their own state and reaffirming Soviet support for the PLO.

He further advanced Moscow's case against Mr. Reagan's settlement proposals by asserting that Washington cast doubt on Israel's right to exist by "opposing the creation by the Palestinians of their own state."

He made no reference to the assassination of Lebanon's president-elect, Bashir Gemayel, just as Moscow had ignored his election.



Bashir Gemayel was carried on his followers' shoulders on Aug. 23, the day he was elected president of Lebanon. The Christian Phalangist party leader was to have taken office Sept. 23.

Slain Leader Is Eulogized

(Continued from Page 1)

Mussolini inspired the party's ideology.

Bashir Gemayel studied at a Jesuit school in Beirut and Southwestern University in Texas and pursued legal and political activities in Lebanon until the outbreak of the civil war in 1975.

Mr. Gemayel, who had many enemies among Christians whom he had warned against in his rise to power as well as among the Moslems he fought so ruthlessly during the civil war, was elected Aug. 23 against strong Moslem opposition. He would have been Lebanon's youngest president.

President Ronald Reagan condemned the assassination as a "crime against the cause of peace in the Middle East," and the U.S. State Department said Mr. Gemayel's death was even more tragic because "it comes at a time of renewed hope that violence in Lebanon can be brought to an end."

Administration officials said that the United States was urging Israel "not to do anything to increase" tension in Lebanon and that Israel assured U.S. officials the military movements in Beirut were "limited and precautionary."

Mr. Reagan, in a statement Tuesday night, said news of the "cowardly assassination" was "a shock to the American people and to civilized men and women everywhere."

"This promising young leader had brought the light of hope to Lebanon. We condemn the perpetrators of this heinous crime against Lebanon and against the cause of peace in the Middle East," he said.

Mutual Recrimination

Israel and the Palestine Liberation Organization blamed each other for the killings.

Prime Minister Menachem Begin of Israel, who supported Mr. Gemayel's election and reportedly pressured him to make peace with Israel, sent a telegram of regret to his family. Yitzhak Shamir, Israel's foreign minister, called the assassination a "horrible, criminal act" and blamed elements seeking to prevent the independence of Lebanon.

The PLO representative in London blamed Israel for the assassination. Nabil Ramawi said in a statement Wednesday that the attack had taken place in an area controlled by Phalangist militia and Israeli forces.

He said the killing "will be used to justify the Israeli plan to take West Beirut, and to prolong the military occupation over Lebanon as a whole."

Mourning in Lebanon

In Lebanon, Christians and Moslems alike mourned his death. Flags flew at half staff, and all Lebanese radio and television stations played dirges.

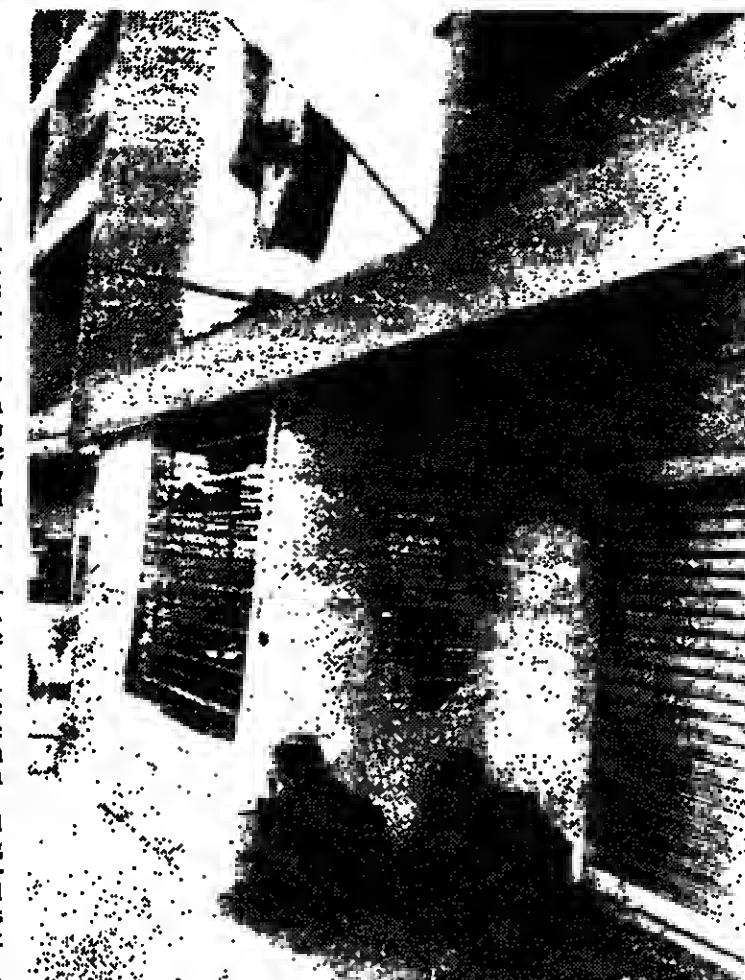
Morris Draper, U.S. presidential envoy, traveled from Israel to Lebanon in time for the funeral. Israeli jets circled overhead during the one-hour burial rites. After meeting with Mr. Begin in Jerusalem, Mr. Draper said, "The shocking experience of Bashir Gemayel's assassination yesterday has complicated the problem for us, but we are going to move forward with determination."

Israeli officials expressed uncertainty over how Mr. Gemayel's death is likely to affect the negotiations over the withdrawal of Syrian and Israeli troops from Lebanon.

"It is much too early for an assessment," a senior official said. "Our position remains unchanged. Our basic aims are the withdrawal of all Syrian and PLO forces from the country and the re-establishment of a strong, sovereign Lebanon."

According to Uri Porat, a spokesman, Mr. Begin proposed to Mr. Draper that the first step in the withdrawal should involve the Palestinian forces leaving their positions in the Bekaa Valley of eastern Lebanon and around the northern port city of Tripoli. Mr. Begin said this should be followed by the simultaneous withdrawal of Syrian and Israeli troops according to a prearranged timetable, and was quoted as saying all this could be accomplished "in a few weeks."

In Damascus, Syria officially



As Lebanon's flag flew overhead, two Israeli soldiers took cover Wednesday in the Arab University area of West Beirut. Israeli forces advanced into the area after Mr. Gemayel's death.

Israeli Army Columns Push Into West Beirut

(Continued from Page 1)

Lebanon's state radio reported that heavy firing flared at nightfall at the stronghold of the Mouassatoun, the largest leftist Moslem militia in West Beirut.

The day's attacks created panic among residents of West Beirut. With the government having declared a seven-day period of mourning for Mr. Gemayel, most shops in the city had remained shuttered. Word of the new fighting sent people rushing to gas stations and bakeries that remained open.

An Israeli government spokesman, Uri Porat, said in Jerusalem that the advance took place "to prevent any dangerous developments" following the Gemayel assassination.

Later, the Israeli military command issued a communique which said that the Gemayel assassination "indicates a desire on the part of certain elements to return by violence to the previous state of anarchy. Under such anarchy anti-Israel terrorism flourished. Israel will not let this happen again."

The communique said that in the aftermath of the assassination, "it would be immoral for Israel not to assist in keeping the peace."

Word of the Israeli attack enraged Moslem politicians, who had sought to convince militia leaders in the areas invaded Wednesday to cede their positions to Lebanese government forces as part of a government security program.

Prime Minister Shafiq al-Wazzan protested to the U.S. charge d'affaires, John Pugh, that the attack was a direct violation of the cease-fire established by Philip C. Habib, a special U.S. envoy, on Aug. 12.

Some Moslem leaders claimed Israel had planned the attack even before Mr. Gemayel was assassinated.

These leaders pointed to the fact that as of Sept. 3 Israel had violated the cease-fire and the Habib accord by moving north of the airport into a neighborhood called Bir Hassan, previously occupied by the PLO. This allowed the Israelis to clear mines in the area, opening up the highways used Wednesday in their move northward.

"The Israelis have been waiting for just this chance to do now what they could not do when the PLO was still here to defend us," said an editor of a Lebanese daily newspaper, who asked that his name not be used.

"Whether or not they actually planned this incident, the president's death, to allow them to do it

U.S. Commerce Dept. Seeks Review Of Ban on Deal With South Africa

By Milton R. Benjamin
Washington Post Service

WASHINGTON — The administration, at the Commerce Department's urging, is reconsidering a decision to prohibit export to South Africa of metallurgical equipment that could be used in making critical components for nuclear weapons, according to government sources.

The equipment is a large hot isostatic press used to mold powdered metals at high temperatures and under great pressure into special shapes such as solid and hollow spheres.

While information about the exact use of such presses in the U.S. military program is classified, a knowledgeable source said Tuesday that they could be very useful to a country seeking to build nuclear weapons.

The United States in recent years has rejected efforts by a half-dozen countries, including Israel, India and Taiwan, to buy these large presses. It has also successfully urged Sweden, the only other nation that manufactures a comparable press, not to export it to countries that might be developing nuclear weapons, sources said.

Application Reinstated

An attempt by South Africa to purchase one of these presses was rejected by the administration earlier this year. But now the Commerce Department, which would license such a sale, has resubmitted the South African export application for a new interagency review.

"This is a longstanding item over which there has been concern," said Archibald Turrentine, deputy assistant director of the U.S. Arms Control and Disarmament Agency. "It's obviously something that could be used in a nuclear weapons program, and you don't want to give somebody a key capability that they are missing that might let them move ahead."

The presses, however, are considered "dual use" items because smaller presses are widely used in a variety of commercial applications, and large hot isostatic presses, which are manufactured only by three U.S. companies and the one Swedish company, are also used in this country in the aerospace industry.

The seller would be Autoclave Engineers Inc. of Erie, Pa.

The South African company attempting to purchase the press has said it planned to use the equipment in manufacturing tungsten carbide drill bits for oil rigs, an application that experts said appeared legitimate.

Policy Was Upheld

"But our policy, dating back to the previous administration, has been that we would not export the large hot isostatic presses to countries of proliferation concern," a State Department official said Tuesday. "When this latest application came before the interagency Subgroup on Nuclear Export Coordination that policy was maintained."

But the Commerce Department, sources said, is pressing for a new meeting of the subgroup within the next two weeks to reconsider the rejection and is arguing that the presses may not be as important to a country seeking to manufacture nuclear weapons as has been believed.

The State Department and the arms control agency, however, which usually have played the senior role in approving exports of nuclear-related items, are taking an extremely skeptical view of the Commerce Department's position.

South Yemeni in Moscow

United Press International

MOSCOW — Prime Minister Ali Nasser Muhammad of South Yemen met Wednesday in the Kremlin with President Leonid I. Brezhnev.

Polish Activist in Exile Returns to Face Trial

By Michael Dobbs
Washington Post Service

WARSAW — A prominent dissident, Jan Jozef Lipski, returned to Poland voluntarily Wednesday from the West to face charges of conspiring to overthrow the Communist authorities by force.

No attempt was made to detain Mr. Lipski at the airport despite the fact that the military prosecutor has issued a warrant for his arrest and the charges against him carry a possible death penalty. The 55-year-old literary critic waved a victory sign at his supporters as he passed through customs and was later driven to his Warsaw apartment in the company of his wife.

"He's either crazy or a very brave man" said a Warsaw resident who has been unsuccessfully seeking permission to leave Poland with his family.

The martial law authorities last week announced the arrest of four members of the dissident Social Self-Defense Committee, known here by the acronym KOR, who have been interned since December, on the conspiracy charges. Arrest warrants were issued for two other members of KOR abroad, including Mr. Lipski who was in London undergoing treatment for a heart condition.

Charges Called 'Absurd'

Speaking to Western reporters at Warsaw airport, Mr. Lipski said he had returned to be with his friends at a difficult time. He described the charges against him as "absurd."

The Communist authorities have sought to blame KOR, which acted as a forerunner to the independent Solidarity trade union, for conspiracy against the state and street demonstrations.

not approve these kinds of things, and I can only assume the Department of Energy and their technical experts made the right decision when they reviewed this the first time," a State Department official said.

"The people here are pretty firmly opposed to this sale," an

arms control agency official added. "Other countries have agreed that not exporting large hot isostatic presses to countries of proliferation concern sounds like a good policy, and no one has fallen off the boat yet. There is sort of an agreement we will not undercut each other on this."

Reagan Nominates Aide To Monitor Atom Arms

By Judith Miller
New York Times Service

WASHINGTON — The White House has announced that President Ronald Reagan will nominate Richard T. Kennedy as ambassador-at-large and special adviser on nuclear energy affairs and on preventing the spread of nuclear weapons.

The appointment was also announced Tuesday at the State Department by Secretary of State George P. Shultz, who said the move reflected the priority he and President Reagan gave to curbing the spread of nuclear weapons.

"This subject is of such immense importance that we have to have somebody paying attention to it full time," Mr. Shultz said of the decision to fill the post, which has been vacant since Gerard T. Smith resigned after President Jimmy Carter was defeated.

Administration officials added that the appointment was intended to ally criticism from Capitol Hill and people concerned with arms control about the substance of President Reagan's nuclear policies and the importance he attached to efforts to dissuade countries from beginning nuclear weapons programs.

Disappointment Expressed

The appointment, however, was greeted unenthusiastically by leading critics of the administration's approach to nuclear arms control.

Senator Alan Cranston, Democrat of California and the minority whip, said that while he was gratified that the position had been filled, "I'm concerned that there is yet no evidence that nonproliferation matters are being given greater priority by President Reagan."

Paul Leventhal, director of Nuclear Control Inc., a private group that monitors the spread of nuclear weapons, called the appointment "disappointing and very disturbing."

"Mr. Kennedy is the architect of the radical reversal of bipartisan American nonproliferation policy that has been pursued by this administration," Mr. Leventhal said. "Rather than a re-examination of its misguided policies, the appointment signals that the administration will continue to look for loopholes in American nuclear export laws and to undermine the nation's commitment to full-scale safeguards."

Different Approach

Administration officials denied that President Reagan's policy would spur the spread of nuclear weapons or that halting the spread of nuclear weapons was not a top objective.

They acknowledged, however, that the administration's approach differed from its predecessors. Rather than emphasizing efforts to stop the spread of nuclear technology, officials said, it has concentrated on assuring security concerns of nations as a primary means of dissuading them from pursuing weapons programs.

Mr. Kennedy has informally been supervising policy in this effort for 13 months but he has served officially as the State Department's undersecretary for management.

The White House and Mr. Shultz announced that this post would be filled by Jerome W. Van Gorkom, who for 18 years was chief executive officer of the Trans Union Corporation of Chicago and is a good friend of Mr. Shultz.

WORLD BRIEFS

Kenya Sentences 17 Rebel Airmen

NAIROBI — Kenya said Wednesday it had begun the court-martial of air force rebels who tried to topple President Daniel Arap Moi, and 17 men had received long prison sentences.

Army Brigadier J.M. Musomba said at a briefing that the first trials started Tuesday and that 17 airmen had been given terms ranging from 12 to 25 years. Seven rebels are to be tried Thursday and the proceedings are to be open to the public, he said.

Brigadier Musomba spoke after 22 students entered not guilty pleas in a civilian court to charges of rioting during the coup attempt Aug. 1. Officials put the number who died in the uprising at 159.

5th Pole Held in Embassy Takeover

MUNICH — The police have arrested a suspected accomplice of the four Polish men accused of occupying the Polish Embassy in Bern last week. The men demanded an end to the nine months of martial law in their homeland but finally were overpowered by Swiss commandos.

Tadeusz Workiewicz, 26, a Polish bricklayer, was arrested Tuesday on charges of conspiring to take hostages, a spokesman for the Bavarian state high court, Peter Metzger, said Wednesday. Mr. Metzger said he could not give further details.

The Munich prosecutor, Heinz Stocker, said Mr. Workiewicz, who has lived in West Germany since June 1981, was arrested after a tip from the Swiss authorities.

Bonn, Copenhagen Settle Cod Dispute

BONN — Denmark and West Germany have reached a last-minute agreement on German access to cod-fishing waters off western Greenland, thus averting what threatened to be a full-scale fishing war, the Foreign Ministry here said Wednesday. The compromise was worked out in talks Tuesday between the new Danish prime minister, Uffe Ellemann-Jensen, and Foreign Minister Hans-Dietrich Genscher of West Germany. The cabinet in Bonn was expected to approve the accord Wednesday.

Bonn had given Copenhagen until Wednesday to drop a ban on West German trawlers. If Denmark had failed to comply, the West German government planned to give financial aid to West German boat-owners who defied the ban. The Danes, who own Greenland, had earlier threatened to seize German trawlers that ignored the ban.

The interim accord allows the West German fishing fleet to catch 5,000 tons of cod off western Greenland by the end of October. In return, the West Germans agreed to ask the European Commission to review proposed cod-catch limits and to withdraw proceedings against the Danes for alleged breach of EC rules.

W. German Will Succeed Rebel Priest

ECONE, Switzerland — A West German abbot has been named as the eventual successor to Archbishop Marcel Lefebvre, 77, who leads a rebel Roman Catholic group opposed to the modernization of the church, a spokesman for the movement said Wednesday.

Thirty leading members of the St. Pius X Secedental Fraternity chose the Rev. Franz Schmidberger of Saarbrücken as vicar-general to the French archbishop, who remains the group's superior-general. Father Schmidberger heads the group's West German chapter.

"The abbot will succeed Monsignor Lefebvre if he should decide to resign or if anything else should happen," said the Rev. Patrice Laroche, secretary-general of the fraternity, at its seminary in this Swiss village. Father Laroche said in July that Archbishop Lefebvre planned to retire this year. The archbishop, who was suspended from priestly duties in 1976 for opposing the reforms of the second Vatican Council, continues to say Mass in Latin.

China Wants to Prepare Soviet Talks

BEIJING — The Chinese Foreign Ministry said Wednesday that talks about the disputed Chinese-Soviet border should be resumed but that adequate preparations were needed after a four-year interruption.

A ministry spokesman said China had not replied to a Soviet diplomatic note of Feb. 3 that urged the resumption of talks. The negotiations were last held in Beijing in June 1978. Foreign diplomatic sources said Tuesday that they expected China and the Soviet Union to hold exploratory talks next month but that the talks were unlikely to be either about the border or normalization of relations.

China has said that the presence of the 45 Soviet troop divisions near 4,500-mile border was an obstacle to such talks. It contends that 40,000 square miles (103,600 square kilometers) are in dispute. Moscow says there is no disputed territory.

Greece to Arrest de Sade Publishers

ATHENS — The government of Greece ordered Wednesday the arrest and trial of 47 publishers who defied a ban on the works of the Marquis de Sade, a Frenchman who in the 18th century wrote several books dealing with sexual perversions.

The Greek justice minister, George Mangakis, also stopped a Greek newspaper from continuing publication of a confidential report presented to the government earlier this year by Leonidas Papanikolaou, who was

Haig Attacks U.S. Plan For Middle East Peace

By Bernard D. Nossiter
New York Times Service

NEW YORK — Alexander M. Haig Jr., the former secretary of state, has sharply criticized President Ronald Reagan's Middle East plan, describing the proposal for a freeze on Israeli settlements in the occupied West Bank as "a very serious mistake."

Mr. Haig also said Tuesday that the administration's plan for autonomy for the Palestinians in association with Jordan threatened a "gutting session" between Israel and the United States.

The peace process will only move forward if there is a spirit of cooperation between Israel and the United States," Mr. Haig said. "That has been shaken in recent days."

It was the first time Mr. Haig has publicly criticized the administration in which he served until June. He spoke without a text to 300 officials of the United Jewish Appeal.

Mr. Haig made no direct reference to Mr. Reagan's speech Sept. 1 in which he announced his Middle East plan or to his successor, George P. Shultz, who is regarded as the architect of that speech.

When Mr. Haig was asked to comment on the Reagan plan, he smiled and said it would be inappropriate to "parse the pros and cons." But he added that his own remarks contained "some pertinent observations."

U.S. Dead Found In Laotian Jungle

United Press International

BANGKOK — Four Americans looking for bodies of U.S. servicemen missing in Indochina since the end of the Vietnam War found the wreckage of a U.S. plane and the remains of its crew members in a jungle area of southern Laos, the leader of the group said Wednesday.

"We found a great deal of the aircraft and some bones of the crew members," said one of the Americans, George Brooks, in a telephone interview from Vientiane, the Laotian capital. The search was the first permitted by relatives of servicemen missing in Indochina.

Mr. Brooks, chairman of the Washington-based National League of Families of American Prisoners and Missing in Southeast Asia, and the three other members of the delegation have relatives missing in the war. He gave no details.

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U.S. Weighs Subsidies For Farm Sales Abroad To Compete With EC

By Seth S. King

New York Times Service

WASHINGTON — Under pressure from some farmers, the administration of President Ronald Reagan is considering subsidies for U.S. agricultural exports to make them more competitive with heavily subsidized Western European exports.

"We're being pressed hard from every side to strike back," said Richard E. Lyng, deputy agriculture secretary. "American exporters can compete with anybody in a free world market. But we're not doing as well as we should."

The European Community's farm subsidy policies, Mr. Lyng said, "are taking export business away from us, and we can't tolerate that."

Subsidies on sales abroad would be a longstanding free-trade policy in agricultural exports and open a new front in the growing American trade war with the EC. The United States has not directly subsidized exports of any major farm commodity, such as grain, since the early 1970s, when the Soviet Union and other food importers wiped out the country's wheat surplus through large purchases.

It is the reappearance of large U.S. grain and dairy surpluses in the last year or two that has created pressures to increase exports. Farm prices in general have fallen to their lowest levels in years, in part because markets are lacking for the country's large agricultural output.

The administration already has the authority to subsidize farm exports and interest rates on loans to countries that buy American farm products. Congress recently provided \$190 million for farm export promotion. These funds could be used for such subsidies.

Until recently, the Reagan administration has resisted even the suggestion that Treasury funds should be used either to lower the export prices of grain, meat and poultry or to offer importing countries a lower rate of interest on loans from private U.S. banks for farm commodity purchases.

But Mr. Lyng said Tuesday that

there was "tremendous impatience" among farmers and some of their leaders over what was happening to their export markets as a result of European farm subsidy policies.

Speaking Monday in Omaha, Nebraska, at a meeting of the president's Export Council, Agriculture Secretary John R. Block said it was time the EC stopped subsidizing agriculture and let it compete in world markets on the same footing as other products.

"European agriculture has been treated like a pampered, spoiled child," Mr. Block said.

Earlier, he said he "didn't even want to contemplate" direct export subsidies. "But it might help to target some countries for special interest rate treatment," he added, and show the EC that "we can play the game, too."

The anger of American farmers toward the Common Market has been heightened by recent reports of new sales of wheat and barley to Eastern European countries and of poultry to Middle Eastern countries, formerly big purchasers of American grain and broilers.

Last week, the American Farm Bureau Federation, the largest U.S. farm organization and an ardent champion of free trade, abandoned its opposition to government involvement in agriculture and joined in the demand for retaliation against the Europeans.

But farm support for another trade clash with the Common Market was not unanimous. The National Farmers Union, another large farm group, said it did not believe export subsidies would be effective.

"We're sitting on the brink of an economic war that we're not sure we can win," said Robert J. Mullins, the union's legislative representative in Washington. "The \$190 million wouldn't do much good against prices the EEC can offer. But the administration is right in trying to shake the EEC into listening to us."

Allan Aves, an Illinois corn and soybean grower, said: "We need to lower interest rates on farm commodity loans, and maybe subsidized interest rates would help do that. But we're selling more farm commodities to Europe than it's selling to us, and we could lose that advantage if we tried direct subsidies on sales to other countries."

The EC is the only major competitor of the United States that subsidizes farm exports directly. Canada and Australia, which also compete in world grain markets, could subsidize their exports indirectly, but neither has done so. Brazil has been indirectly absorbing small losses in corn exports.



HARD-CORE RESISTANCE — He hadn't tried it, but this Ottawa youngster already knew he didn't like school.

Democrats Take On Republicans' Symbol

Washington Post Service

WASHINGTON — The Democrats are setting out to do for Dixie the elephant what the Republicans in 1980 did for Tip O'Neill.

A 30-second television spot that began airing Tuesday in selected markets depicts Dixie, an ample symbol of Republicanism, blundering her way through a china shop, smashing crockery labeled "Social Security" and trampling other precious bits of the United States' liberal legacy.

A view of Dixie's stern, waddling down the aisle and knocking over the shelves, fills the screen, while the announcer says, "Two years ago, we trusted the Republicans to mind the store in Washington. They promised us they'd bring prosperity and respect America's heritage of fairness and compassion. The Republicans have made a mess of things."

The ad is part of the first Democratic Party television campaign, an effort to adopt the technique the Republicans used in 1980, when an actor depicting Thomas P. (Tip) O'Neill Jr., Democrat of Massachusetts and speaker of the

House, driving a car that runs out of gas, was used as a symbol of Democratic incompetence.

Conceived by Robert Neuman, Democratic National Committee communications director, and filmed by First Tuesday, a Phoenix advertising company, the commercial cost \$34,000 — "\$1,000 a day for Dixie and her trainer," said Mr. Neuman, "and a helluva lot for breakage."

Charles T. Manatt, party chairman, said almost \$1 million has been raised for the campaign, about half of it from labor unions. He said copies of the ads were being made available to state Democratic parties in hopes they would finance additional showings. The Republicans' 1982 ad campaign, already on the air, is budgeted at \$10 million.

Dixie's destructive ramble through the china shop is one of five commercials previewed at committee headquarters Tuesday. Others, made by David Sawyer, attack the Republicans' record on unemployment, tax cuts and Social Security.

— DAVID S. BRODER

Reagan Agrees to Tuition Plan Compromise

By George Skelton

Los Angeles Times Service

WASHINGTON — President Ronald Reagan has agreed to scale back the tax breaks and strengthen the anti-discrimination safeguards of his tuition tax-credit proposal in an effort to move the proposal out of committee on Capitol Hill.

Robert Dole, Senate Finance Committee chairman and a Kansas Republican, told Mr. Reagan Tuesday that the changes probably would assure the bill's approval by the committee. But he warned Mr. Reagan that passage by the full Senate would take an all-out fight.

On another social issue, Mr. Reagan criticized anti-abortion groups for not uniting behind a specific measure. He said their division had led to the current Senate filibuster on anti-abortion legislation.

Mr. Reagan has not endorsed a specific anti-abortion measure and says he has been waiting for pro-life groups to lead the way.

"I've been a little critical sometimes to myself, not openly, about some of the human life issues because they have not rolled behind a single measure," Mr. Reagan told a group of religion editors Tuesday at the White House.

Mr. Reagan told the editors that abortion should be banned because babies have been born after three months of pregnancy "and have lived, the record shows, to grow up and be normal."

A White House spokesman acknowledged later, however, that the president had misspoken. Pete

Roussel, a deputy press secretary, said he had been referring to a specific case and had meant to say four and a half months, not three. He said that the National Right to Life Committee reported that a baby born at 18 weeks in 1972 at Cincinnati University Hospital survived.

That information contradicts a Supreme Court brief filed by the American College of Obstetrics and Gynecology two weeks ago. The college said there was no solid evidence that fetuses younger than six months could survive.

Mr. Reagan invited the religion editors to the White House to promote his tuition tax-credit proposal, which he said he believed in "heart and soul."

Delay Until 1983

Later, at a meeting attended by congressmen and administration officials, Mr. Reagan agreed to delay putting tuition tax credits into effect until the next school year in

order not to add to the budget deficit projected for the 1983 fiscal year.

Under the compromise plan, families who send their children to private schools could take a credit against their income taxes for 50 percent of the tuition, up to \$100 during the 1983-84 school year, \$200 the next year and \$300 in succeeding years. To the original proposal, the maximum credits would have been \$100, \$300 and \$500.

In addition, Mr. Reagan agreed to allow only families with incomes of less than \$40,000 to receive the full credit. Above that income level, the credits would be smaller and totally eliminated when income reached \$60,000. His original proposal allowed full credits up to a \$50,000 income level and did not eliminate them until the \$75,000 income level.

The administration estimated that the new proposal would cost

the government \$526 million annually, compared with \$854 million for original proposal.

"The president's not particularly happy with these changes, but he accepted them to get the bill out of committee," a White House official said.

Discrimination Safeguards

Mr. Reagan agreed to a package of changes designed to guarantee that the tax credits did not go to families who send their children to private schools that racially discriminate.

The changes seemed to satisfy Senators Daniel Patrick Moynihan, Democrat of New York, and Bob Packwood, Republican of Oregon, who had doubted whether Mr. Reagan's original anti-discrimination safeguards were strong enough.

Senator Bill Bradley, Democrat of New Jersey indicated that he would try to get even tougher safeguards into the bill.

Budget Limit Is Proposed in House

By Martin Tolchin

New York Times Service

WASHINGTON — The House majority whip and the chairman of the House Budget Committee have proposed legislation that would require the president and congressional budget panels to submit balanced budgets.

Under the proposal, however, both the president and the committees could also submit unbalanced budgets if either decided that national security or economic necessity required deficit spending. Congress would then choose between a balanced or unbalanced budget.

The move Tuesday was seen as an effort to ward off a White House-backed constitutional amendment to require a balanced budget. The amendment has been approved by the Senate, where Republicans hold a majority, but is bottled up in the House Judiciary Committee.

Asked whether the proposed bill was a response to the budget-balancing amendment, Representative James R. Jones, the Oklahoma Democrat who is chairman of the Budget Committee, replied, "I don't think you can overlook the balanced-budget movement."

Quicker Implementation

But he said in an interview that one of the reasons for his approach to the balanced-budget problem was "to get a statute in place that can be implemented next year."

Mr. Jones and Thomas S. Foley, a Washington Democrat and the House majority whip, sent a letter to colleagues in which they said "a statutory approach has the advantage of beginning to work upon passage." A constitutional amendment would have to be ratified by

three-fourths of the states, a process that can take years.

The proposed legislation would limit spending to 20 percent of the gross national product and provide for only one budget resolution annually.

The measure would also require the chairman of the House and Senate Budget Committees to agree with the director of the Office of Management and Budget on a common set of economic assumptions and would establish priorities that the budget committees must follow in balancing the budget.

Dispute Over Deficits

President Ronald Reagan submitted a budget this year with a deficit of \$91.5 billion for fiscal 1983; congressional budget committees believed the budget grossly underestimated the deficit.

Congress spent several months trying to keep the deficit below \$100 billion and last spring adopted a budget with a deficit of \$104.5 billion. But the Congressional Budget Office estimated the deficit at about \$140 billion.

Congress adopted the Budget Act in 1974 in an effort to regain fiscal controls it had yielded to the White House. The measure required Congress to set spending ceilings and revenue floors as well as spending priorities. Battles over those spending priorities have dominated the 97th Congress.

Senator Pete V. Domenici, the New Mexico Republican who is chairman of the Senate Budget Committee, said he was unfamiliar with the proposal made by Mr. Jones and Mr. Foley but doubted it would work.

In the House, Representative Jack Brooks, a Texas Democrat who is chairman of the Govern-

ment Operations Committee, told the Budget Committee on Tuesday that he opposed both a constitutional amendment and a statutory requirement involving a balanced budget.

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This was not without its challenges. Gondrand consists of many independent companies, and 250 branches worldwide. Each has its own way of working - dictated largely by customs and regulations that vary from country to country.

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could be shared.

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- along with Philips word processors and telex systems. Meanwhile, existing earlier-generation Philips computers will continue serving until their replacement.

Finally, Philips was at home in each country served by Gondrand - and service before and after sale had been superb.

Results? Gondrand's customer service will be better than ever. For example, it will soon be possible for customs documents to be processed at international borders before the Gondrand vehicle even arrives!

This is one way Philips is smoothing the road to better service and profits. Here are some others.

ELECTRONIC MESSAGE CENTRE

Philips new DSX Series of message switching systems turns traditional telex rooms into cost-effective electronic message centres. Modern office teleprinters, such as the Philips PACT 220, communicate with the system on a store-and-forward basis. While the message is in storage, the DSX automatically converts transmission codes and speeds, as required, and forwards the message(s) over private and/or public network circuits as soon as outgoing lines are free - or during off-peak periods when telex tariffs may be lower.

Word processors and other non-voice terminals may also be connected to a DSX system to build a company-wide integrated office communications network. The system then functions as the network's "electronic postman", collecting and distributing inter-office memos, messages, letters and other documentation electronically.



Based on the highly successful DSX-40 system, the DSX Series of micro-processor-based message switching systems provides a tailored approach to the heavy-telex user market where requirements may extend from 2 telex lines/6 terminals up to 10 telex lines/40 terminals.



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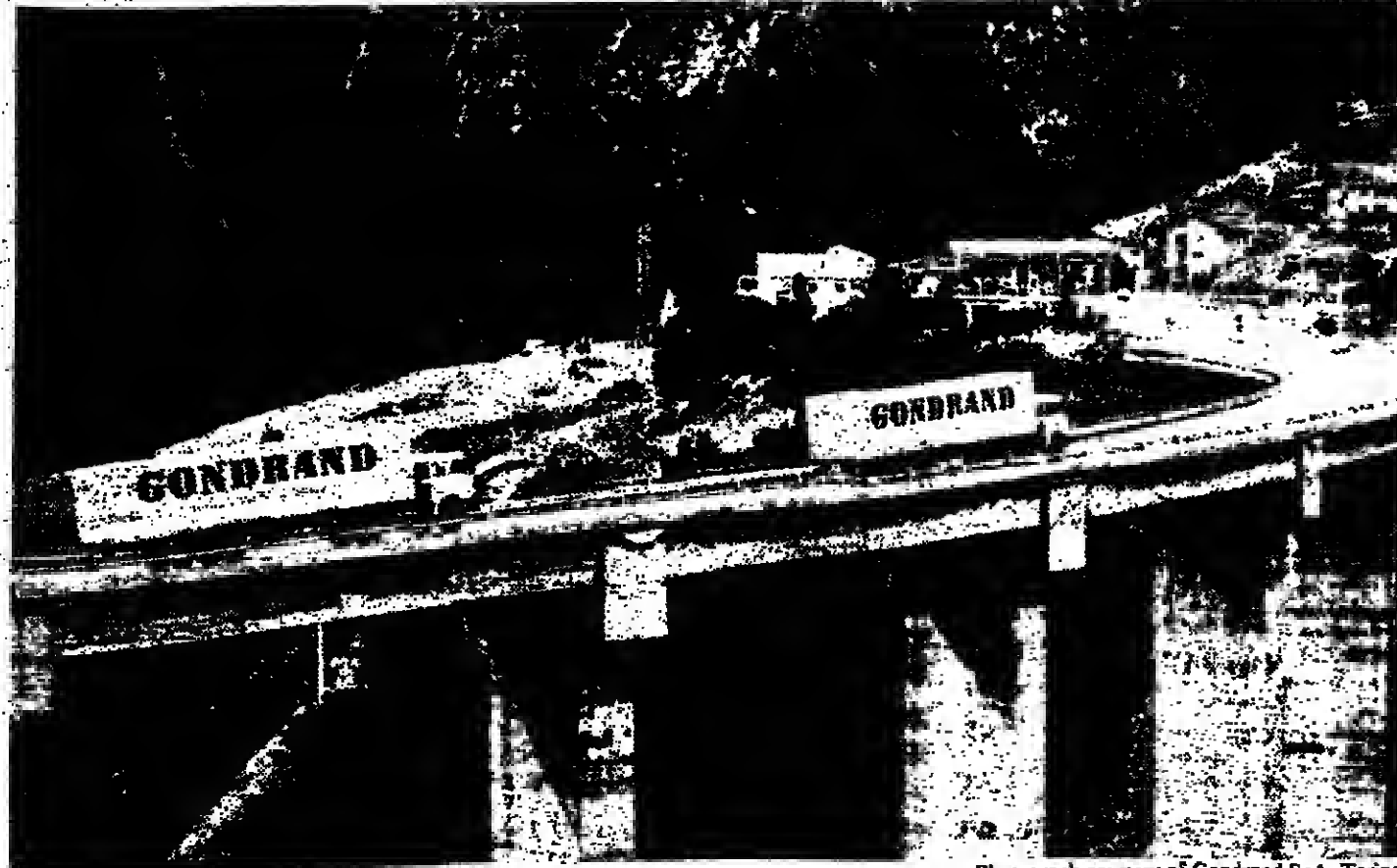
To cope with the demand for world-famous Carlsberg and Tuborg beers, the United Brewery Company has built Europe's most modern brewery at Fredericia in Denmark. This fully-automated brewery can produce nearly 1 1/2 million bottles of beer per day. And Philips DP6000 digital paging system helps everything to flow smoothly by keeping personnel in contact with each other, and with process status over the 160,000 m² site.

The microprocessor-controlled paging system is directly linked to the PABX telephone system, and also to alarm circuits at critical stages in the brewing process. So individual paging calls and two-way conversations can be set up from any telephone. At the same time, servicemen will be called automatically if a fault arises anywhere in the brewery. The DP6000 receivers have a 5-digit display that indicates the nature and location of any process alarm so that specialists can be on the spot without delay.

The brewing itself is computer-controlled from a central control room, where Philips supplied a CCTV system for surveillance of the plant.

COST-EFFECTIVE LIGHTING

Burberry's, the famous London tailors, have resolved their storelighting problems with the help of Philips SL lamps. Until recently the downlights in their well-known Regent Street store were fitted with normal incandescent lamps. Apart from low energy efficiency and the production of unwanted heat, these lamps needed frequent replacement and their locations were not readily accessible. But when they were replaced with Philips 18 W SL lamps, electricity consumption was cut by 75% and maintenance costs by 80%. The new low-wattage lamps give as much light and last five times longer than normal 75 W incandescent lamps. Burberry's are now making similar conversions in their other shops around the world.



Photograph courtesy of Gondrand SpA, Torino

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Herald Tribune

Published With The New York Times and The Washington Post

Bashir Gemayel

The assassination of president-elect Bashir Gemayel removes Lebanon's best hope of escaping from the agony it has endured for nearly a dozen years.

"Bashir," as he was familiarly known, was himself no innocent. He had participated, as the leader of an important Maronite Christian militia as well as of his family's Phalangist political party, in the jungle that Lebanon became as a result of internal strife and external provocation and invasion in the 1970s. Yet there was good reason to believe that he had sobered and matured and that he was dedicated, as he put it in a statement of his position just before the election (IHT, Aug. 24), to "the unity of Lebanon; the uniqueness of the Lebanese experience; and liberty, security and justice for all Lebanese within a democratic government that guarantees all citizens' basic freedoms."

Mr. Gemayel was often tagged a "Christian rightist" who had earned the enmity of Lebanon's Moslems. It was an open secret that, as the intervening Syrian "peace force" in the mid-1970s became patrons of his rivals in the PLO and some of the Moslem militias, he had accepted substantial Israeli aid. Yet when the Israelis invaded Lebanon last month, he resisted the considerable pressure and temptation to join them in battle against his erstwhile foes. He was looking ahead to the need to run for president and to heal Lebanon after the war. For similar considerations of national consensus, he stood up to Israeli demands after the Beirut siege for a commitment to an early peace treaty.

In the parliament that elected him on Aug. 23, deputies came from 23 of Lebanon's 26 voting districts. Some 43 of 51 Christian deputies voted, presumably (no tally was kept) for him. Nineteen of the 41 Moslem deputies voted; if the one vote against and the four abstentions came from their ranks, that left him with 14 Moslem votes. Immediately thereafter he began a series of consultations with Moslem leaders.

"The people of Lebanon must agree that force has no place in the inevitable disagreements that arise with any country," he wrote in his position paper. "Lebanese pluralism, which has tended in its self-assuredness to overlook occasional resort to violence, must evolve to place a new emphasis on the peaceful settlement of disputes."

Now he is a victim of the violence he had come to deplore. From his death some will conclude that the rebuilding of Lebanon is beyond human reach. It will also be observed that vengeance is sure to track any Arab leader who indicates he is ready to make peace with Israel. But Lebanon's latest tragedy cannot be allowed to darken the vista Bashir Gemayel had hoped to clear.

—THE WASHINGTON POST

Should Reagan Try to Become Mr. Tough Guy?

By James Reston

WASHINGTON — President Ronald Reagan is engaged these days in an interesting foreign policy gamble. He is trying to change his reputation abroad from Mr. Nice Guy to Mr. Tough Guy.

The reason is fairly clear. In the first year of his administration he threatened so many things abroad and carried out so few that the idea began to get around at home and abroad that he was not to be taken seriously, and could be shoved around.

He shook his fist at El Salvador, and then put it in his pocket; warned the Russians to mend their ways or he wouldn't talk arms control with them, and then offered to talk after all; threatened the Soviet Union with economic sanctions and then sold it grain. The flaps and flops could be extended.

This created a credibility problem for him out only with the Russians, the NATO allies and even many of his own conservative colleagues in the Congress but shook his leadership elsewhere in the world.

Accordingly, the correction of this problem began to preoccupy the White House staff and the president himself early this summer. He brought one of his closest friends, Judge William P. Clark, over to the White House from the State Department and got himself a new secretary of state.

To make clear that he was now indeed in charge, he slapped sanctions on U.S. and allied companies selling American technology for the Soviet gas pipeline, and took a sudden hard line against the military and political policies of Israel.

Objectively, these were bold moves that infuriated the allies, but the White House was not thinking objectively. It knew very well that these decisions would not stop the pipeline or free the Poles or persuade the Begin government to change its policies in Lebanon, the West Bank or the Gaza Strip.

But subjectively, these moves did challenge the prevailing perception that the president could not make decisions or would not stick with them if he did.

This is not a reassuring analysis, but a lot of people in his own administration believe it is accurate and that it helps explain some of the recent foreign policy actions that are otherwise inexplicable.

Judge Clark is undoubtedly a key figure in this change. His greatest strength and probably also his greatest weakness is his unwavering devotion and loyalty to Mr. Reagan's personal and political fortunes, even if this, as some members of the Reagan administration

believe, sometimes blinds him to the larger national interest.

Most presidents have had some trusted adviser in the White House to keep them out of trouble. Judge Sam Rosenzweig, among others, provided this essential service for President Franklin D. Roosevelt, Clark Clifford for Presidents Harry S. Truman, John F. Kennedy and Lyndon B. Johnson, and Judge Kirby for President Jimmy Carter.

But some other presidents, like Richard Nixon, have had trusted aides who were more loyal to the president than to the country and got both in trouble.

This is not to compare Judge Clark with the likes of H.R. Haldeman or John Ehrlichman, having respect for the laws of libel, but the judge is in a rather odd position, for he has two jobs that could easily be incompatible.

He is not only a devoted friend with long experience of the president's likes and dislikes, but he is assistant to the president for national security affairs, with considerable authority over who sees the president and what papers the president sees.

Though he had almost no experience in foreign affairs before he arrived in Washington and embarrassed the president by that fact, he

is reported now to be playing an increasingly important role in foreign policy issues, including the nuclear arms control negotiations with the Soviet Union — a subject of considerable conflict between the president's arms control team and such arch-conservatives as Sen. Jesse Helms of North Carolina.

The question now is whether Mr. Reagan's recent foreign policy decisions will strengthen his administration or merely improve his "image" for a little while.

The pipeline decision, for example, may have demonstrated that he can act, but it has done very little to stamp him as a man of judgment, even if he sticks with it, which is still an open question.

His speech on the West Bank and Gaza has started more talk of negotiations, but whether it will succeed as long as he continues to help finance Israeli policies he opposes still remains to be seen.

Nevertheless, Ronald Reagan is not the first president who has made decisions abroad in order to gain his personal and political objectives at home. He has helped correct an impression of Nice Guy uncertainties abroad, which were largely of his own making, but the allies are still reeling from his sudden Tough Guy remedies.

The New York Times

A Debt to Filipinos . . .

The rulers of the Philippines, President and Mrs. Marcos, are in the United States to be seen as much as to see. Their visit is meant to dispel any rumors, or hopes, about the failing vitality of the House of Marcos. Indeed, they seem to be rehearsing a husband-to-wife succession in the Peron mode.

After 17 years in office, 10 of them with authoritarian powers, Mr. Marcos is taking a six-month leave and yielding authority to an executive committee whose most formidable member is Imelda Marcos. Their state visit to Washington is meant to augment the legitimacy of the regime, one long burdened by charges of corruption and cruelty.

In giving the couple a hearing, Americans should not assume that what is good for the Marcos family is best for the United States. America has important military assets in the Philippines. The value of air and naval facilities at Clark Air Base and on Subic Bay has grown since the Russians took over America's Vietnam harbor at Cam Ranh Bay. But that security link deserves a longer-term American view that treats the Filipino people as more than base relations.

Vice President George Bush gave a memorable example of the wrong approach last year when, in Manila, he toasted Mr. Marcos for his "adherence to democratic principles and the democratic process." Even by the Reagan administration's solicited standards to allied dictators, that statement was a clangor. Mr. Marcos' main service to democ-

racy has been to demonstrate how much of it his countrymen have lost.

The Philippine Constitution, at the time of independence in 1946, was modeled on America's. Its presidents were freely elected, their power checked by an independent Congress, judiciary and civil service. The press was the liveliest in Southeast Asia; two parties vigorously competed for power; the army kept out of politics.

All that vanished in 1972 when Marcos imposed martial law. In the name of security and economic growth, personal rule has ever since supplanted constitutional rule.

Mr. Marcos has contained insurgencies, from Moslem separatists and leftist guerrillas, while shrugging off the criticism of a Catholic Church that speaks for most Filipinos. With heavy borrowing, his regime has increased exports; until fuel costs intervened, economic growth was dramatic. He has supported U.S. foreign policy and has been rewarded with \$500 million in aid for a five-year lease on the military bases. Sensing foreign dismay with his repressive rule, he lifted martial law last year — but only formally.

The Marcoses, in sum, have been useful but embarrassing allies. However much their reign prospers, it is not difficult to distinguish between their cooperation with America and their betrayal of democratic values. Making that distinction is what America most owes its former colony.

—THE NEW YORK TIMES

. . . And Message to Marcos

President Marcos of the Philippines, unwelcome in Washington for the last 16 years, returns now as something of a lion. He is defiantly anti-Communist, his country provides important air and naval bases to the United States, and he runs an economy hospitable to free enterprise. Only last year Vice President George Bush hailed his "adherence to democratic principles." Everything seems just fine.

But everything is not fine. Mr. Marcos is a strongman while not lacking a political hand, relies on a military one. By his personal rule he has aggravated the substantial "natural" difficulties of a developing country and enriched conditions in which the existing misery, inequality and corruption could explode. That would bring great additional suffering and uncertainty to the Philippines, and give the United States reason to rue its decision to put strategic things first in Manila.

Mr. Marcos was smart. He sensed after the U.S. debacle in Indochina that the United States would feel a need to assert a military presence off the rim of Asia. Thus did the Ford and Carter administrations write a new bases agreement and bite their tongues on the dismal Marcos human rights record. Mr.

Reagan, feeling that human rights should not become a matter of public dispute with friendly countries, took over from there. He dispatched his vice president to give a completely unjustified blessing to Mr. Marcos. His first secretary of state propelled to signature a new extradition treaty that would let Mr. Marcos snatch back his exiled political foes — or so they believe.

Mr. Marcos is said to be coming to Washington chiefly for the show of affinity with Mr. Reagan. There is no point in expecting Mr. Reagan to spite his own policy and to read his guest a civics lesson in the Rose Garden. Is it not possible, however, for Mr. Reagan to take Mr. Marcos aside for a friendly chat on the good and value, for the Philippines, of moving back toward the Philippines' own democratic traditions? Few people doubt that the country faces real problems of terror, subversion and secession, some of it with a Communist taint. What people of good will suspect is that Mr. Marcos, by his arbitrariness, is making the situation worse. No one is better placed to convey this message than Ronald Reagan.

—THE WASHINGTON POST

Other Editorial Opinion

Events in Ethiopia

The news that Lieutenant Colonel Mengistu Haile Mariam, the Ethiopian leader, has released over 700 political prisoners to mark the seventh anniversary of his revolution can only be good, though there is a very long way to go before Ethiopia or the Horn of Africa as a whole can regain a measure of harmony. Precisely a year ago, Colonel Mengistu released another 500 political prisoners, but no

one outside the leadership can know how many persons remain behind bars or how many have perished.

It is to be hoped that the latest amnesty may denote a gradual softening of the repression that has hitherto helped the colonel to retain power, though it may be unduly optimistic to see in it the first tentative steps towards a general rapprochement which is so badly needed in the Horn of Africa.

—The Times (London)

The Pipeline Controversy

Europe Suspects Reagan Wants Economic War With Russia

By Hobart Rowen

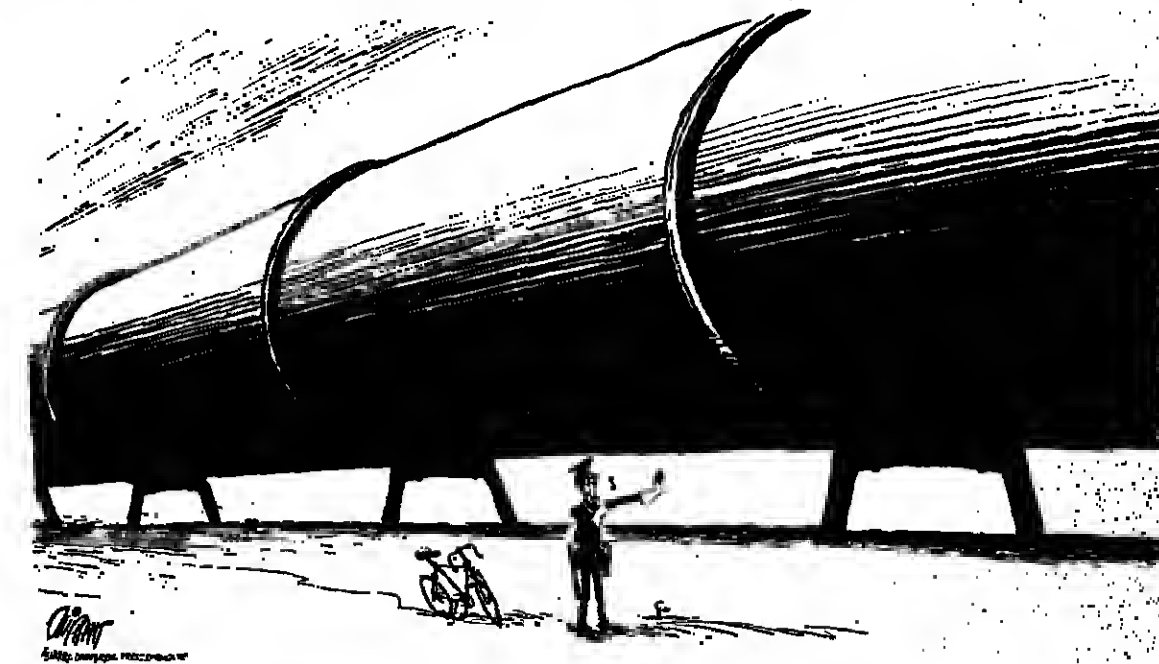
WASHINGTON — Why does President Reagan risk breaking up the Atlantic Alliance, as well as destroying confidence in America's commercial reliability, by punishing European companies that sell equipment to the Russians for their gas pipeline to Europe?

The official line is that this is the way to keep pressure on the Soviet Union to lift martial law in Poland. But despite the embargo on U.S. suppliers of components, which was followed by a June 18 decision to extend the sanctions to European suppliers who use American technology, the pipeline is going ahead and repression continues in Poland.

The suspicion in Europe is that the U.S. position on the pipeline has deeper roots, in Mr. Reagan's anti-Soviet ideology. As former assistant trade negotiator Harold Malmgren has observed, the Europeans think the sanctions are "really part of a broader effort to bring all industrial relations with the Soviets to a halt."

There is evidence to support the view that the Reagan administration decided the time was ripe to launch all-out economic warfare against the Russians. A high official said in an interview that the extension of sanctions to the European companies was taken with no real consideration of the consequences. When presidential adviser William P. Clark was advised of the serious economic impact those sanctions would have in Europe, he responded, in effect, "That's not my problem."

Ironically, if the American sanctions were to work well enough to halt the pipeline or delay it seriously,



the result would not only be to deepen Western Europe's economic distress, but to prevent the Russians from earning enough hard currency to subsidize the Eastern bloc.

And that, in turn, would hasten the day when Poland and other Eastern-bloc nations might have to default on their debt to Western governments and Western banks, already up to their eyeballs in trouble elsewhere around the globe.

The "hawks" argue that Russian sales of natural gas — in contrast to Russian purchases of U.S. grain — will enable the Soviets to increase

their hard currency earnings dramatically later in this decade. They would then be able to buy Western technology or other goods that would enhance their military potential.

But this argument is effectively challenged in a report on East-West trade by the Trilateral Commission — hardly a radical organization. The report was first published during the Versailles summit, and is now available in an updated version.

The Trilateral Commission makes a point that the White House ignores: Russian oil exports are declining — and so is the price of oil. With Rus-

sian earnings from oil exports thus moving down, "gas sales through the pipelines appear to provide the Soviets the best, and perhaps the only, means of sustaining the level of real imports from the West prevailing in the early 1980s," say banker-economists Robert V. Roosa, Michiya Matsukawa and Armin Gutowski.

They add that "the key question" in the years ahead is whether the Soviet Union can or will subsidize Eastern Europe, up to \$25 billion annually, "to support both the living standards and the debt service of these other countries."

That gets to the guts of the issue: If there is a prospect of maintaining peaceful relations with the Soviet Union, through trade, it could be destroyed if a major means by which the Soviets earn dollars is cut off. The Europeans do not want that to happen, but the present American attitude is, "We don't give a damn."

There remains one, and only one, valid argument on which the United States can make an anti-pipeline case, and that relates to security. By making Europe more dependent on Russian energy, does the Soviet Union gain a new economic weapon? Could the Soviets — the Trilateralists ask — "cripple Europe's ability to resist in case of actual warfare?"

These are meaningful questions, and the answers depend on deciding where the dependency lies. Does Europe become more dependent on Russia for the gas, or does Russia become more dependent on Europe for the cash?

There clearly is a risk here, but Roosa, Matsukawa and Gutowski do not view it as a big one. "What might, if overdone, become a trap of vulnerability for one side or the other, can, if carefully managed, become a stabilizing linkage," they say.

A natural gas "grid" exists in Europe that could replace Soviet gas, even if completely cut off, according to Roosa et al. Stupidly, Britain has not yet agreed to participate. The Reagan administration appears unwilling to trust its European partners' not to get "hooked" on Soviet gas. The muddle underlying lesson is that mistrust abounds in the alliance. They must be laughing up their sleeves in Red Square.

The Washington Post

Time Running Out on Hope of Changing NATO Missile Plan

By Ernest Conine

LOS ANGELES — The poisonous argument between the United States and its European allies over the sale of American technology for use in the prospective Siberian natural-gas pipeline is having a number of unfortunate side effects.

One of the most important is that time is running out on the possibility, which was slim anyway, of rethinking the NATO plan for installation of medium-range nuclear missiles in Western Europe. This at a time when there are glimmers of serious interest in the idea of taking existing nuclear weapons out of West Germany and depositing them primarily on conventional, non-nuclear forces for the defense of Europe.

The notion is far from harebrained. Egon Bahr, chairman of the disarmament and arms control subcommittee of the Bundestag, has made a carefully reasoned case for a nuclear-free West Germany.

Mr. Bahr, as a member of the heretofore Russia wing of the Social Democratic Party, may be a bit suspect. But the same is not true of The Economist of London, which recently spelled out its thesis that Western Europe could be defended by non-nuclear means if Americans and Europeans were willing to increase military spending slightly above presently planned levels.

As things stand, 572 nuclear-armed ballistic and cruise missiles are to be

deployed in Western Europe, beginning in December of 1983, unless the Soviet Union can be persuaded before then to remove the 300-odd SS-20 missiles that already threaten Western Europe.

The government of West Germany, which has pledged to accept 96 cruise missiles and 108 Pershing-2 ballistic missiles on its soil, is sticking by its commitment. But the missile-protest movement that has emerged since 1979 raises serious doubt as to whether the deployment decision will be carried out.

Those doubts have grown stronger since the pipeline hassle, compounded by U.S. efforts to curb imports of subsidized steel from Western Europe, has fed deep impatience that many Europeans feel over American domination of the alliance.

In political terms, the alliance faces a seemingly no-win situation.

If Bonn backs away from the missile-deployment plan, the Reagan administration and the American people will be inclined to write off West Germany as a serious ally. The next step will be calls for removal of U.S. troops from Europe.

But if Chancellor Helmut Schmidt's government sticks by the NATO decision, the issue will remain a running sore — a gift to the Soviet

campaign to split Western Europe from the United States.

The fact is that some very senior American officers in Europe do not perceive the deployment of land-based Euro-missiles as militarily essential; they believe that nuclear missiles aboard U.S. submarines committed to NATO would provide an adequate deterrent to the Soviet SS-20s.

Some knowledgeable West Germans have indicated that Mr. Schmidt would welcome a revision of the NATO plan to move the Euro-missiles to sea — and, hopefully, out of German politics.

But Mr. Schmidt, according to these accounts, feels that at this stage the initiative for such a change must come from Washington.

The present atmosphere of confrontation within the alliance largely removes any chance there might have been for a quiet meeting of minds on a change in strategy. And it becomes even less likely that proposals for a nuclear-free West Germany will be taken seriously.

That is a pity. Mr. Bahr, an influential member of the détente-minded wing of Mr. Schmidt's Social Democratic Party, accepts the fundamental fact that overall Soviet nuclear strength must be offset by overall Western nuclear strength.

In an article published in Europa Archiv, however, Mr. Bahr expressed concern on two counts.

One is that nuclear weapons stationed in West Germany themselves become compelling targets for Soviet attack, thereby enhancing the prospect that any war would quickly go nuclear. The other is that the development of smaller nuclear weapons, though aimed at preventing atomic war by making the Western nuclear deterrent more credible, will in fact make atomic war more thinkable.

Mr. Bahr's proposed solution comes in two parts.

Britain and France would keep their nuclear forces, as would the Soviet Union. The U.S. strategic nuclear forces would stay in business. But all nuclear weapons would be removed from the European countries that have no control over them — West Germany being the most important.

In Mr. Bahr's words, "The danger of [nuclear] escalation would be reduced because, where there are no dangerous targets, it becomes unnecessary to use dangerous weapons."

But, unlike most antinuclear activists on both sides of the Atlantic, the West German dove recognizes that "a zone free of nuclear weapons in Europe would be unrealistic" unless steps were taken to redress the advantage now enjoyed by the Soviet Union in conventional, non-nuclear arms.

The Economist, after exhaustive interviews with military experts, concluded that NATO could eliminate the Soviet advantage in conventional arms by spending just 1/12 more for defense.

"Preparing for a war without nuclear weapons will cost more than preparing for a war with them," the Economist concluded. "Is the anti-nuclear movement willing to help stomp up the money it would take to achieve security without the weapons we all wish had never been invented?"

The answer, as of now, is clearly no. By and large, the same folks who agitate for a nuclear freeze are also opposed to higher spending for anti-tank weapons and ground-support aircraft.

With appropriate political leadership, this could change. The non-nuclear option for European defense, though more expensive, could attract broad support if it were adequately explained.

But neither the Reagan administration nor the allies seem interested, and the present climate of U.S.-European relations is not conducive to a breakthrough in creative thinking.

Los Angeles Times

LETTERS

Pipeline No

People who have nothing to lose are willing to fight. East and West are in danger of coming into conflict as long as Western influence is seen in the Communist bloc as incitement to disaffection within their regimes. We must promote the welfare of the ordinary Soviet citizen for our own future safety. We need the pipeline to increase the chances of continuing world peace. A fat Communist is not only a bad Communist but also much less likely to want a war. We should lessen the differences in wealth between East and West. The pipeline will help.

R.A. HOPKINSON WOOLEY, Oxford, England.

Two Measures?

The acts of terror against Semites, such as Algerians, Palestinians, and recently against Moroccans (in Corsica) are the evidence of racist and xenophobic methods. But one has to notice the orchestrated silence of certain press (yours included) about these crimes, while giving long front-page coverage about other anti-Semitic crimes as condemnable as the first ones.

Do you have two weights and two measures, while some Semites are victims of the same racism?

Germans View Things Through Different Prism

By John Dornberg

MUNICH — A recent editorial-page cartoon in this city's nationally influential and distributed Süddeutsche Zeitung revealed much about the current state and mood of West Germany.

It depicted a homespun couple, she wearing a flowery pink dress, he with suspenders and house slippers and seated in an easy chair, reading with horror in their faces the day's headlines: "Crisis in Bonn — SPD — FDP — CDU/CSU."

The two were located on an asteroid, labeled "Federal Republic of Germany," floating in outer space. At the bottom left hand corner of the scene the planet Earth was partially visible and enveloped in smokes and flames. The caption read: "The World Problem."

Coming at a time when the soap opera of West German politics has entered a new, post-vacation round, the cartoon suggests that at least some people in this land have a sense of humor and the ability to laugh at themselves, though both attributes are in notoriously short supply.

It may be unfair to suggest that the Germans have a global monopoly on navel contemplation. But they do have the unfortunate distinction of being the owners of the word *weltschmerz*, that term for "sentimental pessimism" that seems to lend a very special and parochial quality to the otherwise universal penchant for preoccupation with self.

The Germans just worry more about things than anyone else, it appears, and as a consequence their problems loom infinitely larger.

sored semiannually by the EEC Commission in Brussels, "Euro-Barometer," as the survey is called, portrays West Germany as a nation glumly weighed down by all manners of troubles.

West Germans have more worries than people in any of the other nine Common Market countries.

Some 77 percent are worried that the environment is endangered, compared to an average of 57 percent in the European Community.

Three out of four persons in West Germany, compared to an EEC average of only two out of three, are worried about rising unemployment. And that is the case despite the fact that the jobless rate in West Germany is one of the lowest in the community.

Sixty-two percent of the West Germans, compared to a Common Market average of 41 percent, are worried about living conditions becoming "increasingly artificial," and more than half fear a critical deterioration in international affairs.

Yet one cannot help wondering why. Viewed dispassionately, those on the West German "asteroid" has little to eep about, a point that Chancellor Helmut Schmidt tried to make in his two-hour State of the Nation speech to the Bundestag last week.

Not only is the unemployment rate lower but so is the inflation index. In spite of all the talks and

Under the circumstances, it seems almost ludicrous to talk of the German economy in trouble. At worst, Europe's one-time economic "wunderkind" has merely come of age.

That was the essence of the statistical palliatives Mr. Schmidt attempted to impart in Parliament, but West Germans do not view it that way. They find the process of reaching economic maturity too painful to bear.

It is in this context that the now almost inevitable breakup of Mr. Schmidt's left-liberal coalition of Social Democrats and Free Democrats (SPD and FDP) must be seen.

Viewed objectively, there is no reason why the breakup should occur — other than the fact that the partners, like an old married couple, are obviously tired of each other and that muddled public opinion seems to be goading the split.

It is even less apparent what a breakup might accomplish, considering that the opposition Christian Democrats (CDU/CSU), with which Mr. Genscher's FDP would then coalesce, have yet to proffer solutions for what ails, or does not ail, West Germany economically. In fact, as the FDP's right-wing Economics Minister, Otto Lambdin, put it the other day, the CDU/CSU might find his neo-conservative remedies as indigestible as the SPD does today.

But politics follow a different logic when viewed through the glasses of *weltschmerz*: a powerful notion that makes an asteroid-prince like the center-

SEPT. 16: FROM OUR PAGES 75 AND 50 YEARS AGO

1907: 'Automania' Rampant

NEW YORK — The New York press has published many editorial comments on the unusual number of automobile accidents. The writers appear to be inclined to exaggerate the situation. The Sun says: "Automania is widespread and seems to be incurable. It takes a strong head to withstand it. Men whom you can depend upon, who are as true as steel in other relations of life, cannot be trusted in the driver's seat of a high-powered automobile." The Evening Sun adds: "Not to be able to tell of a relative who was killed in an automobile accident simply means nowadays that a man belongs to a very ordinary family." Fortunately for the trade, the sporting section of the public is not so timid.

1932: Manchukuo Recognized

CHANG-CHUN, Manchukuo — Japan has formally recognized the new state of Manchukuo in a treaty according diplomatic recognition to the new regime. The Chinese government at Nanking has formally protested to the League of Nations, charging that the treaty of alliance between Japan and Manchukuo amounts to the establishment of a virtual protectorate by Tokyo that "not only violates the sovereign rights of China, but also the nine-power treaty concluded in Washington in 1922." It recalls Japanese aggression in Manchuria since the seizure of Mukden last September. Washington has declined to comment, indicating the United States would await action by the league.

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مكتبة النهر

U.S. Fears Restrictions on Philippines Bases

By William Branigan

MANILA — United States officials have become concerned about the future use of huge American naval and air bases in the Philippines because of a gradually shifting outlook on the subject within the Philippine government and the country's growing dependence on Middle East oil-producing countries.

The subject of the bases is expected to come up during the state visit to Washington this week of President Ferdinand E. Marcos, who has indicated he intends to start prodding the Reagan administration toward a revised agreement on U.S. use of the Philippine facilities.

The U.S. concerns stem from the emergence of what a diplomat called "a new independent foreign policy attitude toward Third World and socialist countries" and increasing reliance on Arab states for job markets and oil imports. Some U.S. officials worry that in future contingencies — for example, in the event of a major new Arab-Israeli crisis — the United States may not be able to use the bases for its own aims as freely as in the past.

The most immediate issues, once a date is fixed for a new round of negotiations, will be increased Philippine sovereignty over the bases and higher U.S. payments for their use, officials here said.

They indicated the Manila government hopes to use what would amount to a big rent increase for Clark Air Base and Subic Naval Base to help finance the modernization of its own air force and navy.

Behind the Philippine thinking, as President Marcos indicated to reporters last week, is the prospect that the government in the future may want to terminate the bases agreement, which is due to expire in 1991. U.S. officials currently consider the bases vital to American strategic interests.

Domestic Pressure

Western diplomats said that despite strong ties with the Reagan administration, Mr. Marcos must assert greater Philippine authority over the bases to keep pace with shifting attitudes here.

Aside from practical considerations, the bases issue packs some emotional baggage. It sometimes reflects the love-hate relationship that many Filipinos carry on with the United States, which ruled the Philippines for nearly 50 years after seizing the archipelago from Spain in 1898.

The United States "is no longer dealing with bilateral relations based on special privilege," a diplomat said. He said "a whole new generation of technocrats" born after the Philippines gained independence following World War II, "is looking at the relationship in more equal terms now."

"Marcos recognizes that the political price for the bases is increasing, both domestically and internationally," the diplomat said.

To Seek Renegotiation

At a minimum, Mr. Marcos is expected to seek U.S. agreement during his state visit on a date to begin renegotiating the bases accord early next year. The 1979 agreement, which formally transferred Clark, Subic and three smaller installations to Philippine sovereignty, provides for review and possible revision of the accord every five years until it expires in 1991.

During the visit, the two sides may also announce agreement on customs, immigration and quarantine issues concerning the bases,

officials here said. These matters were left unresolved in the 1979 agreement and have been the subject of intensive talks in recent weeks.

In the three-year negotiation leading to the 1979 agreement, the Philippines initially held out for "rent" of \$1 billion over a five-year period, but settled for an aid package worth half that amount and not formally part of the bases agreement. This time, according to a U.S. official, "the figure floating around" as the Philippines' asking price is \$2 billion for the 1984-89 period.

Potentially more troublesome than the money question, some U.S. officials feel, are the Philippines' growing ties with Arab

countries, which provide the bulk of the country's oil imports.

Also, as many as 250,000 Filipinos are working in the Middle East, about 60 percent of them in Saudi Arabia. The government is eager to promote manpower export, which generates as much as \$1 billion a year in remittances and officials hope the number in Filipino workers in the Middle East will reach one million in another five years.

This growing Philippine dependence on the Middle East, particularly on Saudi Arabia, makes some diplomats wonder how useful the Philippines government would be in the event of a new Arab-Israeli crisis.

Study Assails Philippines' Record On Rights; Marcos Arrives in U.S.

By Richard M. Weintraub

Washington Post Service

WASHINGTON — Frequent torture cases, disappearances and killings have continued in the Philippines following the lifting of martial law more than a year and a half ago, Amnesty International has charged in a report on human rights conditions there.

A summary of the report, released Tuesday on the eve of President Ferdinand E. Marcos's first visit to the United States in 16 years, emphasized the activities of the Philippines armed forces and paramilitary groups that, Amnesty International charges, operate with tacit government approval. Mr. Marcos arrived Wednesday in the United States.

Five Democratic senators expressed fears Monday in a letter to President Ronald Reagan that the Marcos visit will be misinterpreted as a sign that the United States "condones" continuing violations of basic human rights in the Philippines.

"The security of the United States does not require our support for the repression of the Filipino people," the letter said.

It was signed by Senators Claiborne Pell of Rhode Island, Alan Cranston of California, Edward M. Kennedy and Paul E. Tsongas of Massachusetts and Daniel Patrick Moynihan of New York.

The report by Amnesty International says there has been a reduction in the number of persons detained for political reasons, compared with the findings of a mission the group sent to the Philippines in 1975. The new report said there are 1,000 persons being held for political reasons, down from 6,000 in 1975.

The new study said, however, that, "reports in the same period

indicated more people were becoming victims of human rights violations of unusual brutality, including 'disappearance' and extrajudicial execution."

Amnesty International said it had documented 230 cases of disappearances between 1975 and

Rights Situation Is Better in Timor, U.S. Official Says

The Associated Press

WASHINGTON — The Reagan administration says that abuses of human rights have decreased in the Indonesian province of East Timor.

"We don't want to disguise that there continue to be problems," the assistant secretary of state, John H. Holdridge, said Tuesday in an appearance before the House Subcommittee on Asian and Pacific Affairs.

Mr. Holdridge testified after Michael Williams of Amnesty International and Representative Tony P. Hall, Democrat of Ohio, described alleged Indonesian atrocities in East Timor since 1976, when Indonesia seized the former Portuguese colony.

Critics of Indonesia have said that about 250,000 Timorese have been killed by combat, disease and malnutrition since annexation. Among the abuses have been torture, summary executions, disappearances and the imprisonment without trial of people suspected of opposing the government, Mr. Williams said.

But Mr. Holdridge said Indonesia had become "thoroughly sensitive" to world opinion and had started special relief efforts.



Princess Grace posed in 1976 for a portrait on the anniversary of her marriage to Prince Rainier III. The children, from left, are Prince Rainier, Prince Albert and Princess Stephanie.



The former Grace Kelly is shown in one of her most famous roles, opposite Gary Cooper in Hollywood's 1952 "High Noon." It was in this film that Miss Kelly emerged as a rising star.

Monaco Plans State Funeral for Princess Grace

(Continued from Page 1)

would plunge fully into work once again, she smiled at her interviewer and said, "Oh, no, not again."

A member of a prominent Irish-Catholic family, she was born in Philadelphia on Nov. 12, 1929. The patrician manner, suggesting English roots, did not accurately reflect her Philadelphia background. Her family in later years would be compared frequently to the Kennedys — rich, attractive and Irish-Catholic.

John Brendan Kelly, Princess Grace's father, the son of an immigrant, started work as a bricklayer. He was also a local rowing champion. His 1920 entry into the English Diamond Sculls at the Henley Regatta was refused, however, because he "worked with his hands." Supposedly, he immediately sent his rowing cap to the King of England as a souvenir.

The incident made Mr. Kelly a

Philadelphia celebrity. He left bricklaying and became a contractor, made money, and raised his family in the comfortable suburb of Germantown. His wife, Margaret, was a celebrated cover girl.

Brother's Success

Princess Grace was the third of their four children. In 1947 and 1949 her older brother, John B. Kelly Jr., won the Henley sculls championship that had been denied his father.

Besides her successful father, whose wealth was estimated at \$18 million, there were her successful uncle: George Kelly, a Pulitzer Prize-winning playwright, and Walter C. Kelly, a famous vaudeville.

As a child, Grace attended the Ravenhill Academy, a convent school, and then the Stevens School, from which she graduated in 1947. She applied to Bennington College in Vermont because of its

drama department but was denied admission, apparently because she lacked sufficient academic credits. As an alternative, she applied to, and was accepted by, the American Academy of Dramatic Art in New York.

Miss Kelly studied acting, and, as had her mother before her, she became a photographer's model. In July 1949 she made her professional debut as an actress at the Bucks County Playhouse in New Hope, Pennsylvania, in a revival of her Uncle George's comedy "The Torch Bearers." On Nov. 16, 1949, she made her Broadway debut as the Captain's daughter in Strindberg's "The Father" at the Cort Theater.

Film Debut

After frequent appearances in television plays, Miss Kelly made her movie debut in 1951 with a small part in a film called "Fourteen Hours." The following year

she emerged as a rising star in the Western "High Noon" opposite Gary Cooper.

Her 1953 performance with Clark Gable in "Mogambo" won her an Oscar nomination. Among her most notable other films were "Dial M for Murder" (1954) with Ray Milland, "Rear Window" (1954) with James Stewart, "To Catch a Thief" (1955) with Mr. Grant and "High Society" (1956) with Mr. Crosby and Frank Sinatra.

Perhaps no one caught the inherent sensuality below her surface innocence more than Alfred Hitchcock, who directed three of her films. He called it "sexual elegance."

For herself, Miss Kelly told an interviewer early in her career: "I'm not an extravert — but I'm not unfriendly either. I'm not the exuberant type, but I don't like to read that I'm cold and distant. I don't think I am."

John Gardner, American Novelist, Is Killed in Motorcycle Accident

New York Times Service

NEW YORK — John Gardner, 49, the novelist, poet and teacher, was killed Tuesday when his motorcycle ran off the road on a sharp turn near his home in Susquehanna, Pa.

Mr. Gardner was head of the creative writing program at the State University of New York at Binghamton. His attitude about writing earned him many supporters as well as detractors.

His views were summed up in his 1978 book, "On Moral Fiction," in which he wrote: "Almost all modern art is tiny, commercial and immoral. Let a state of total war be declared not between art and society but between the age-old enemies, real and fake."

Among his real works were the novels "The Sunlight Dialogues" (1972), "Grendel" (1971) and "October Light," which won the National Book Critics Circle Award in 1976; a collection of short stories; children's books; fairy tales; poetry; and criticism.

Reviewing Mr. Gardner's most recent novel, "Mickelsson's Ghosts," which was published in June, Benjamin DeMott of *American* College wrote in *The*

New York Times: "John Gardner's subjects as a novelist have ranged from the inner conflicts of a beleaguered monster ('Grendel') to a brother-sister feud in contemporary Vermont ('October Light'). The strongest point of connection among his works of fiction is their unvarying hospitality to ideas."

Idea of Fiction

Often comparing himself to Tolstoy as a "philosophical" novelist influenced by Christianity, Mr. Gardner said the value of great fiction "is not just that it entertains us or distracts us from our troubles, but also that it helps us to know what we believe, reinforces those qualities that are noblest in us, leads us to feel uneasy about our failures and limitations."

John Champlin Gardner Jr. was born in Batavia, N.Y. His mother was a high school teacher of literature and his father a dairy farmer.

The young Mr. Gardner received a bachelor's degree in 1955 from Washington University in St. Louis. He was awarded a master's degree in 1956 and a doc-

torate in 1958 by the State University of Iowa.

He taught at Oberlin College, California State University at Chico, San Francisco State University, Southern Illinois University, the University of Detroit, Northwestern University and Bennington College.

On the Bennington campus, where he had founded and been director of the creative writing program since 1978, Mr. Gardner was an unmistakable presence — wearing a black leather jacket and blue jeans as he rode around campus on his motorcycle.

Writing in *The New York Times Magazine*, Stephen Singeler described him as a "small, portland man" whose "white hair falls over his shoulders so he looks something like a pregnant woman trying to pass for a Hell's Angel."

Kristjan Eldjarn

REYKJAVIK (Reuters) — Kristjan Eldjarn, 65, president of Iceland from 1968 to 1980, died Tuesday in a hospital in the United States. It was announced Wednesday in Reykjavik. Mr. Eldjarn died in a Boston



John Gardner

hospital where he had undergone a heart operation. An archaeologist, he was curator of the National Museum of Iceland until elected president. He wrote books on Icelandic archaeology and translated foreign works.

Franco Solinas

ROME (AP) — Franco Solinas, 70, an Italian screenwriter who wrote the script for the 1966 film "The Battle of Algiers," died of a heart attack Monday, his family reported Tuesday.

U.S. Suspects Soviet Link to Attack on Pope

By Michael Getler

and Robert J. McCartney

Washington Post Service

WASHINGTON — The U.S. intelligence community agrees that there is circumstantial evidence for a strong suspicion that the KGB either knew about a plot to kill Pope John Paul II last year or promoted it, American officials who have followed the situation say.

But, these sources say, there is

no "smoking gun" that proves a Soviet role.

Two investigative reports in the U.S. media this month contend that there is substantial circumstantial evidence that links Soviet intelligence agencies to the Turkish gunman who shot and seriously wounded the pope in May 1981.

The reports, one in the current edition of *Reader's Digest* and another produced by NBC Television and scheduled to be broadcast next Tuesday, suggest that the Kremlin either plotted or acquiesced in the attempted murder of the pope because of Soviet dissatisfaction with the pontiff's strong support for Solidarity trade union in his Polish homeland. A preview of the NBC report, which was prepared by Marvin Kalb, was shown to reporters Tuesday.

Radio Moscow, reacting to the published *Reader's Digest* article, by Claire Sterling, has denounced such allegations, calling them "absurd" and "unfounded."

Bulgarian Connection

A central argument of both reports is that the gunman, Mehmet Ali Agca, obtained his forged passport and the Browning 9mm automatic used in the attack from associates of a shadowy Turk named Abuzer Ugurlu, who worked mostly out of Bulgaria and is said to have links to Bulgaria's secret service. NBC reported Italian investigators as having said that an Ugurlu associate sent a courier to Mr. Agca offering him 3 million Deutsche marks (about \$1.5 million at the time) and sanctuary in Bulgaria to shoot the

pope in Sofia, the Bulgarian capital, during a stopover of several weeks in 1980.

Mr. Agca, 24, is serving a life sentence in an Italian jail. He admitted at his trial that he had shot the pontiff but did not identify who financed his expensive travels through several European countries before he arrived in Italy.

Although the public reports do not suggest that the KGB was directly involved in the shooting, they contend that Bulgaria is one of the Russians' most obedient allies, that the Kremlin knows everything that is going on in Bulgaria on security matters, and that Bulgarian intelligence would be unlikely to act without Soviet approval.

The American intelligence assessment is also based heavily on the Bulgarian connection, sources say, in combination with analysis of Mr. Agca's movements around Europe, money that was paid to him and the timing of the attack on the pope, which came as the Solidarity movement was gaining strength. "If there was no Solidarity movement, then I suppose everyone would believe Agca was just a kook," a source said.

Sources said, however, that the assessment officially does not go beyond casting strong suspicions on the Bulgarian secret service, although it is widely assumed in the intelligence community that the KGB was behind the Bulgarians.

However, there also are some intelligence analysts who are said to be dubious about a Soviet link, believing that the KGB would not have chosen a plan in which the assassin was virtually certain to be

planning the possible conspiracy. Bulgaria is said to be a major center of the international gun-running trade, and sources say the Bulgarians have gotten lots of business by supplying both sides in the civil strife in Turkey. Some officials believe that the Bulgarian secret service may have promised Mr. Ugurlu, the alleged kingpin of the smuggling business, a better deal if he could use his contacts with the Turkish terrorist groups to recruit an assassin.

Victory for Labor Is Seen in Welsh Special Election

The Associated Press

LONDON — Britain's opposition Labor Party appears certain to win a special parliamentary election Thursday in the economically depressed valleys of South Wales.

The Conservative Party maintains that Trefor Llewellyn, 35, can carry the socialist stronghold of Gower, which has been Labor territory for 62 years. But analysts predict that the best Mr. Llewellyn can hope for is to reduce Labor's majority.

The previous holder of the House of Commons seat for the district, Ifor Davies, 71, died June 7.

A poll Tuesday by the local Harlech television station showed a Laborite, Gareth Wardell, 37, a university lecturer, with 48 percent of the vote, Mr. Llewellyn with 25 percent, and Gwynedd Jones, 30,

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SCIENCE

Sodium — Experts Are Divided on Its Dangers Except for Hypertension

By Philip M. Boffey
New York Times Service

ARLINGTON, Virginia — The widely held view that most Americans should reduce their salt or other sodium intake to prevent the development of high blood pressure was challenged by experts at a scientific conference here.

Dr. David A. McCarron, director of the hypertension program at Oregon Health Sciences University, warned that widespread restriction of sodium intake may actually end up harming more people than it helps.

And Dr. John H. Laragh, director of the hypertension center at the Cornell University Medical Center in New York, called current government efforts to reduce sodium intake "misguided."

"I think one of the sad events of the past several months has been an overreaction in the lay press to the dangers of sodium chloride," he said. "The whole thing has gone much too far and has failed to recognize the great virtues of salt."

There is general agreement that sodium reduction can help control

the blood pressure of many patients already diagnosed as hypertensive. But the disagreement is arising over whether it makes sense to restrict the sodium intake of normal people in an effort to prevent possible future onset of hypertension.

Both McCarron and Laragh spoke in interviews before addressing a symposium on nutrition and blood pressure control Monday, sponsored by the National Kidney Foundation, the Department of Health and Human Services, and the International Life Sciences Institute, an industry group.

High Hypertension Rate

The conference was convened, according to one sponsor, to air disputes that have emerged in recent months over the role of nutrition in general and of sodium in particular in causing hypertension, a disease characterized by high blood pressure. Salt (sodium chloride) is the single greatest contributor of sodium in the American diet.

Twenty-three million to 60 million Americans, depending on the

criteria used, are considered hypertensive. Hypertension is the leading cause of strokes in the United States, and is a major contributor to heart attacks, heart failure and kidney failure.

The consensus of authoritative medical groups and government agencies in recent years has been that a reduction in sodium consumption would protect tens of millions of Americans from possible hypertension. Sodium reduction has been recommended by the American Heart Association, the American Medical Association, the National Academy of Sciences and the Federation of American Societies for Experimental Biology, among others.

Based on such recommendations, the federal government, through such agencies as the Food and Drug Administration and the Agriculture Department, has been campaigning to reduce the public's sodium intake.

Arthur Hull Hayes Jr., the food and drug commissioner, who is an expert on hypertension, said in March that "sodium reduction must remain a general health goal for our nation and indeed for all developed countries."

Evidence Not Conclusive

But speeches and debate at the symposium here made it clear that the value of reducing sodium intake for most people is now being hotly disputed. Experts on both sides acknowledged that the evidence indicating sodium as a major cause of hypertension in normal people is not conclusive.

There are cross-cultural studies indicating that isolated tribes on low-sodium diets have very little hypertension whereas industrialized societies where salt consumption is excessive have the disease in epidemic proportions. But participants in the symposium disagree on whether factors other than salt might explain the difference. And they say studies carried out within a single country have produced conflicting results.

The picture is further confused by the mysterious nature of hypertension. In 90 percent of the cases, the cause is unknown. Many factors besides sodium have been linked to its development, including age, body weight, sex, race, genetic profile, kidney infection and various components of the diet.

The question posed by scientists here is whether enough is known about sodium, at least, to advise widespread curtailment of its use while research into hypertension continues.

Case for Reduction

The case for reducing sodium intake was argued by Dr. James C. Hunt, chancellor of the University of Tennessee Center for the Health Sciences, who has been engaged in hypertension research for 25 years. In an interview, he acknowledged the lack of "conclusive proof" that

sodium is a major cause of hypertension in normal people. But he argued that Americans already consume 10 times more sodium than they need, and that perhaps 20 percent of the population has a genetic defect that makes it susceptible to high blood pressure from the excess salt.

Since there is no sure way to identify that 20 percent, he said, the only way to protect them is through a general reduction in sodium intake.

"There is no proved biological need for 90 percent or more of the sodium consumed by the American people," he said. "There is on one side and a very distinct potential for harm. Excessive sodium consumption by the American public is a justified cause for concern."

Another speaker, Dr. Norman

M. Kaplan, professor of internal medicine at the University of Texas at Health Science Center at Dallas, contended that non-drug therapies such as sodium restriction, weight reduction, relaxation and exercise are often preferable to the use of risky drugs to lower blood pressure.

Kaplan said it would be beneficial, practical and inexpensive to cut in half the average sodium intake of Americans. "I see no harm in doing that," he said in an interview.

'Dangerous'

However, other speakers suggested that the current emphasis on sodium as the key dietary component involved in hypertension is misplaced, if not downright dangerous.

McCarron said in an interview:

"We've got an awful lot of information about sodium, a little about potassium and calcium, and not very much about anything else. It's dangerous to tell people to change one nutrient [sodium] when we don't know what impact that will have on other nutrients. We're setting the stage for problems down the line."

As an example, he cited controversial evidence he has developed indicating that a deficiency in calcium may be a factor in high blood pressure. If people try to restrict their sodium intake by cutting back on dairy products, he said, they will also be reducing their calcium intake and thus might actually drive their blood pressure up.

"I don't recommend sodium restriction as a broad public health measure," he said. "We could turn

around 20 years from now and see that it had caused more problems than it prevented."

Similarly, Laragh said his own research also suggests that "calcium has a lot to do with blood pressure and may be more important than sodium — so don't go off the deep end and pick on sodium. You can't get hysterical about salt and consider it a poison without considering all the marvelous things it does. Salt is the number one natural component of all human tissue. The concept that you don't need much is wrong." He estimated that only a minority of the public would benefit from sodium reduction, which for many people might carry "harmful trade-offs."

Other speakers appearing at the three-day symposium pointed a finger of suspicion at potassium,

magnesium, alcohol, protein and a variety of other dietary components in addition to sodium.

By coincidence, the latest issue of *Hypertension*, a journal published by the American Heart Association, contains the proceedings of a similar symposium held in Princeton, N.J. last March. The summary, written by Theodore B. Van Itallie, of St. Luke's Hospital Center and Columbia University in New York, suggests that "it may be premature at this time to contemplate mass intervention programs that entail only one dietary constituent (i.e., sodium reduction)."

The summary asserts: "It has not been shown that sodium restriction will prevent the development of hypertension in normal individuals."

The Deep Relationships Between Music and Mathematics

By Edward Rothstein

New York Times Service

NEW YORK — Before setting out to make my way in the music business, I was in training to become a "pure" mathematician. Such esoteric subjects as algebraic topology, measure theory and non-standard analysis were my preoccupations. I would stay up nights trying to solve knotty mathematical problems, playing with abstract phrases and structures.

But I would be lured away from these constructions by another activity. With an enthusiasm that can come only when critical faculties are in happy slumber, I would listen to or play a musical composition again and again, imprinting my ear and mind and hands with its logic and sense. Music and math together satisfied a sort of abstract appetite, a desire that was partly intellectual, partly aesthetic, partly emotional, partly physical.

I offer these autobiographical facts only because they are not extraordinary among those who have been involved with these fields. Not only did I know other people tempted by both worlds, but, in various ways, music and mathematics have been associated throughout history.

Galileo's Speculation

Mathematicians and physicists of all epochs have felt such affinities. Galileo speculated on numerical reasons "why some combinations of tones are more pleasing than others." Euclid had wondered about those combinations some 2,000 years earlier. The 18th-century mathematician Leonhard Euler wrote a discourse on the relationship of consonance to whole numbers. Johannes Kepler believed the planets' revolutions literally created a "music of the spheres" — a sonic counterpart to his mathematical laws of planetary motion.

Musicians have invoked mathematics to describe the orderliness of their art. Chopin said, "The fugue is like pure logic in music." Bach, the fugue's most eminent explorer, also had a predilection for its precise relative, the canon, which he often treated as a puzzle.

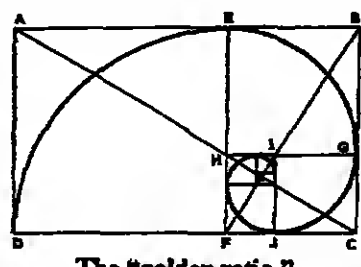
In this century, mathematical language has pervaded much musical thinking. Schoenberg's serial system for manipulating the scale's 12 tones has exercised enormous influence. Other composers have tried to systematize duration, timbre and volume.

Following suit, contemporary musicologists invoke set theory, Markov chains and other mathematical concepts. Journal articles detail attempts to decompose, perform and compose music using computer programs. Iannis Xenakis applies sophisticated mathematical theories in his compositions. Even John Cage, in his search for lack of order, uses computer-generated random numbers for composing.

Connections

This contemporary use of mathematical concepts in music makes it all the more important that their connections be understood. Why, after all, should math and music be connected? Music is an art, mathematics a science, one might say. Music poses no problems, mathematics thrives on them. Music has no practical use, mathematics often does. Music is sensual, mathematics abstract. Analogies may just be vague metaphor or trivial coincidence.

But fundamental musical elements can be analyzed numerically — as the ancient Greeks knew. Pythagoras, to whom fundamental mathematical discoveries are at-



The "golden ratio."

tributed, believed music to be the expression of number in sound. Aristotle said of the Pythagoreans, "They supposed the whole heaven to be a harmonia and a number."

The musical harmony of the Pythagoreans was constructed with the first four integers. They discovered that dividing a vibrating string in ratios formed by these numbers generated "pleasing" musical intervals. The ratio 1:2 yields an octave, 3:2 yields the fifth, and 4:3 the fourth.

In later Western music the interval of the fourth fell out of favor and the sixth was added, but the idea remained the same. The rules of counterpoint, which governed combinations of musical lines, restricted intervals to those formed by such simple ratios. The tonal harmonic system so familiar to us from the music of the 18th and 19th centuries is also founded on these ratios, and upon harmonics — higher pitched tones created when any note is sounded. Musicians of all cultures involve systematic organization of such ratios.

Sophisticated Analysis

The numerical properties of sound have also been subject to more sophisticated analysis, using techniques developed by an 18th-century mathematician, Jean Baptiste Fourier, and, in this century, computer technology. Digital recordings, for example, involve exact translations of sound into number. Such precision has also permitted the synthesis and complex organizations of sound found in contemporary electronic music.

But such numerical properties of sound and the musical systems based on them do not say much about the experience of music. Few listeners care about integral ratios of string vibrations. Few listeners hear a 12-tone series played backwards. Few listen to total music for the way harmonic rules are followed. Music is involved in more than mere combinatorial analysis. And mathematics is more than just a mechanical manipulation of abstract signs. The links between math and music are deeper and more profound.

In fact, if music displays a certain systematic "mathematical"

character, there are corresponding "musical" qualities to mathematical, aesthetic qualities that have often been described by its practitioners.

The mathematician G.H. Hardy wrote of the "harmonious" character of mathematics: "Beauty is the first test: there is no permanent place in the world for ugly mathematics." The mathematician Jules Henri Poincaré also wrote about "the feeling of mathematical beauty, of the harmony of numbers, of forms, of geometric elegance."

This harmony is difficult to explain. One ancient example of beauty that offers some clues to the aesthetics of mathematics is the "golden ratio," considered by the Pythagoreans to be the most beautiful of proportions. The "golden rectangle," with sides in that ratio, has been linked with the proportions of the Parthenon in Athens and exercised fascination on Renaissance artists.

In 1509, a book by Lucas Pacioli called "De Divina Proportione" was illustrated by Leonardo da Vinci. Leonardo also used the ratio in his painting. Kepler invoked this "divine proportion" as well. Recently, "The Divine Proportion: A Study in Mathematical Beauty" by H.E. Huntley has attempted a



Bach: The canon as puzzle.

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mathematical and aesthetic survey of the ratio.

A line is divided by a point into a "golden section" when, as Pacioli put it, the shorter section is to the longer as the longer is to the whole. The ratio reproduces itself within itself. For example, if a square formed by one side of a golden rectangle is cut off, a golden rectangle remains. If squares are continually removed, there is an infinite spiral of golden rectangles contained within each other.

If a curve is drawn based upon this spiral, it is precisely the shape of a chambered nautilus shell. Any two segments of the curve are the same shape; they are just different sizes. Similar curves lie in the center of a sunflower, in the shape of a fir cone and in other natural forms that contain the golden ratio.

The golden ratio provides some insight into the ways mathematics works in general. Nature might provide the original model for speculation about the ratio. From observation of a pine cone or a sunflower, certain similarities are noted and an abstraction is made. This abstraction — a proportion, in this case — is studied, revealing other properties. Underlying principles are then recognized in different realms.

Musical Elements

Music also involves this type of analytical thinking. It, too, begins in the natural world — with physical laws and bodily rhythms. Music, like mathematics, then creates abstract systems, like tonality, for its activities. Within such a system, a musical "element," a theme, may be explored, transformed, revealed in different musical contexts. Its rhythmic may be isolated. Its intervallic structure may be considered, its harmonic implications examined.

These processes in math and music suggest an aesthetic that has been central in the West and implicit in the golden ratio. This concept of beauty involves proportion between various elements and a relation between parts and whole.

Bartók's interest in such ideas was so strong that he literally reproduced the golden ratio in his compositions. In "Béla Bartók: An Analysis of his Music," the Hungarian musicologist Erno Lendvai demonstrates that, in Bartók's music, crucial musical events mark divisions and subdivisions of the work into golden sections. Bartók's unusual harmonic system, Lendvai argues, is also related to the golden ratio.

Even when parallels are less precise, music often involves a similar aesthetic. Heinrich Schenker, this century's most original musicologist, wrote about the "biological nature of form" in "total music" and demonstrated how properties of a single phrase are repeated throughout a work and shape its structure.

Aesthetic Aspect

The ideals of mathematics also, of course, include such coherence and proportion. But there is an aesthetic aspect to the process of mathematical activity. It is not simply a search for the "right" answers. There are styles of doing mathematics. A proof can have its own form, its own tempo in the way it introduces concepts or transforms interpretations or rhythmically follows set rules. Different methods can reveal different — and sometimes surprising — aspects of a problem, pointing out new relations and orders.

In great mathematics, G.H. Hardy wrote, "there is a very high degree of unexpectedness, combined with inevitability and economy." Those are, of course, also the properties of great music. A more profound counterpart to Gauss's solution, for example, is in Beethoven's Diabelli Variations. Instead of customarily varying the "ballet waltz," the composer considers it in radically different lights. By focusing on an accent, perhaps, instead of on the melodic line, he reorders the music's priorities, revealing a new way of hearing familiar patterns. He transforms the waltz with surprise, wit and power while revealing general properties of musical structure.

What is unexpected about such music and about similarly deep mathematical work, is its revelation — a new vision of the order of things. And, somehow, things could not have been any different; such work seems to make an irrefutable statement about the world.

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STYLE

This Fashion Salon Is For Men Only

By Fady El-Khoury

International Herald Tribune

PARIS — In September, Paris becomes a fashion city for men only. More than 600 exhibitors from 24 countries and some 30,000 visitors, buyers and journalists from 90 countries flocked earlier this month to the SEHM (Salon International de l'Habille-Masculin), making this the best-attended menswear fair in Europe.

The French Menswear Federation produced some optimistic figures for 1981, as opposed to the decline of the last few years, but recession is still in the air and Italian competition strong.

Yet the French certainly know how to package such events — both collective and individual showings. The individual festivities started with a glittering Maxim's collection shown at the restaurant and ended with Yves Saint Laurent's Rive Gauche collection; in between were such rock-solid celebrities as Dior and Cerruti.

Younger names included Lucien Foncelet, whose show reaped a standing ovation, Jean-Charles de Castelbajac and the surprising Antonio Montalto, the designer behind the Czechmate label.

Here are three prominent designers wearing their own styles:



Photograph by Jon Dorsey.

Nino Cerruti, 52, casually elegant at all times, mixes an executive's background with an artist's sensitivity when it comes to shapes and colors. His 1983 spring and summer menswear collection aims at "rethinking traditional values of the masculine art of dressing and unglorifying them."



Gerard Perrenoud, 46, is a late bloomer. A designer for only five years, he has been creating Dior's Menswear line for the last two years. But he had a good start, having worked with Balenciaga and Givenchy. Perrenoud's approach is reflected in his executive suit dress, joviality hiding discipline and hard work.



Marcel Lassance, 34, still benefits from the publicity surrounding his designing of François Mitterrand's wardrobe for the French presidential campaign. But Lassance, strictly a man's designer, plays it cool — he does not carry the air of a "tailor laureate" and neither do his clothes.

He's Putting on the Ritz, Intimately

By Hebe Dorsey

International Herald Tribune

NEW YORK — John B. Coleman loves shiny silver, open fires, mellow candlelight, subtly lit paintings and the warm, welcoming feeling of an English country manor. He is also a keen sportsman whose main hobby is fly-fishing, which he likens to business. "There's a strategy," he says. "You want to catch the fish."

All of this he has translated into buying and reviving intimate deluxe hotels, the kind travelers associate with butlers around the clock and romantic spots in Europe. When Coleman opens the Ritz-Carlton on Central Park South Oct. 1, it will be his way of telling the world that small is better. In contrast to chain hotels with thousands of rooms and their Grand Central Station atmosphere, the 260-room Ritz-Carlton, Coleman's fourth hotel, is his largest.

Lucrative As Well

This marks a new trend in hospitality — Old World elegance as against the "computer-run colossus," as Time magazine put it — that is proving to be not only pleasing but lucrative as well. Coleman, who opened his first hotel in 1977, has made quite a business of it. His hotels, the Tremont and the Whitehall in Chicago, the Fairlax in Washington and the Ritz-Carlton in New York, are worth between \$150 and \$200 million. Prices at the new hotel range from \$125 a night for a single room to \$700 for a suite.

This will be the second Ritz-Carlton in New York — the original one, built in 1910, was closed in 1951 — and was called The Navarro when Coleman bought it for \$15 million. Besides spending \$10 million on renovation, Coleman, aware of what's in a name, quickly changed it to Ritz-Carlton, a magic label he licensed from the owner of Boston's Ritz-Carlton.

All along, Coleman, a collector of antique English furniture, has insisted on high standards, gracious decor and personalized service. Coleman, a former investment

banker, says he is not a hotel man and insists that's the reason he is good at it. He treats it as if it were his personal house and looks after every detail for his clientele, which he describes as mostly quiet Americans even though 40 percent are Europeans.

For the decoration, he hired Sister Parish, of Parish-Hadley Associates, who worked on the White House and Rockefeller and Astor homes. Parish did Coleman's duplex on the Upper East Side as well as the Ritz-Carlton, the first time she consented to tackle a public project. The result is cozy pastel chintzes, hand-carved four-poster beds, regulated lighting in the bedrooms, three telephones in each suite and rare rugs on the floor. Sister Parish also selected pink lining for the lampshades, a trick she picked up from Madame Charles Ritz. All that and a view over Central Park.

When the work is complete, the facade will be adorned with curved

awnings all the way to the eighth floor, breakfast will be served on Spode and the restaurant will have three open fireplaces. More sobering but just as important are the sprinklers in each room, the only New York hotel to have them, according to Coleman. "I don't want to wake up in the middle of the night and hear that somebody died in a fire," he explains. Another nice touch, for people who cannot stand air-conditioning, is the fact that windows can be opened.

Coleman was in London this month, looking at 19th-century paintings of horses and dogs in the English countryside. Selected for him by Jane Churchill, the paintings were headed for sale at Sotheby's but now will end up in the Ritz-Carlton's new restaurant, The Jockey Club.

"These paintings put people in the right mood," Coleman says, adding, "I wouldn't put up something just to fill the walls." The restaurant is paneled in 18th-century

pine, found and assembled in England by Crowther and Sons of London, who decorated Highgrove, the country home of the Prince and Princess of Wales.

Born and reared in Boston, the only child of a prosperous family, Coleman, 46, is a slightly built man with reddish hair and a gentle exterior. He says he first caught the hotel bug as a child when Boston's Ritz-Carlton was at the center of every festive event. "That's where my parents took me on my birthdays and that's where I took my first date. It made a big impression on me."

He started his hotel chain in 1973, when he bought the Whitehall in Chicago. "But I didn't know a thing about running a hotel," he admits. "So I brought over a British company that specializes in surveys and market research." Basically, Coleman continues, it is such a simple idea. "Americans in Europe love to stay in small hotels," he points out.



John B. Coleman — today the Ritz-Carlton, tomorrow the world.

In the Big Business of Flower Arranging

By Joel Stratte-McClure

International Herald Tribune

TOKYO — The slight woman dressed in the Hanase Mori suit on the fifth floor of a modern building in central Tokyo sits at a large, cluttered desk overseeing 140 employees and countless gray file cabinets. She could be the administrative head of an electronics company that has successfully invaded Western markets as she enthusiastically discusses the merits of her product. She leaves little doubt that the Japanese way is the best.

"The English are too conservative, the Americans have trouble with the angles and it's completely foreign to people from the Middle East," she says, explaining that her foundation and its competitors have more than 10 million adherents outside Japan.

Nothing More Natural

"The Indians tend to grasp it because of their religious background and the northern Italians are quite quick because of their artistic traditions," she continues. "But for the Japanese it's as natural as wearing a kimono, conducting a tea ceremony or mastering aikido."

Wakako Ohara, director of the International division at the Ohara School, which was founded by her great-grandfather, keeps tabs on the growing influence of Ikebana, the traditional Japanese art of flower arrangement. She explains that it has been defined in Webster's Dictionary for 30 years, that four international conventions have been held and that even Emperor Hirohito endorsed it when he decorated her father, Houn Ohara, with the third class of the Order of the Rising Sun last year.

There are three magazines dealing with it and numerous coffee-table books, including "Ikeba-

na for Everyone" written by her father, the current headmaster of the Ohara School. Ohara explains that Ikebana is a particularly Japanese art form because the skill is in the preparation rather than the result.

Last Things First

"A Western bouquet is generally thrown together as quickly as possible with concern only for the overall appearance," she says. "Ikebana is a way of life and a course in manners. It requires inner harmony and personal tranquility to produce, artistically and patiently, a living imitation of nature."

During a two-hour course in the Japanese method of flower arranging it is easy to grasp the intentions of Ikebana. The art form began in the eighth century, when floral offerings were presented to images of Buddha. It became especially disciplined during the Muromachi period, between 1390-1573, and today is considered a necessary skill for most Japanese women before they marry.

There are a variety of styles, but the Ohara School concentrates on two basic approaches. One form of Ikebana involves the arrangement of plant material — including live flowers, withered flowers, plastic flowers, branches, leaves, mosses and stems — in a small flower bowl with a wide opening. Another employs a tall vase with a narrow opening. The simple-looking arrangements are upright, slanting, cascading or contrasting and are chosen for the character and combination of materials to be used.

Many Expressions

"Generally very few flowers or other items are employed," Ohara says. She explains that Ikebana arrangements are never sold and that it

takes a foreigner about 166 one-hour lessons to become an instructor. "An arrangement is extremely peaceful in appearance and can express the joy of spring, the loneliness of autumn, solemnity, purity or contentment."

The arrangement is based on using different ingredients as either subject, object or filler. A subject, for example, might be twice the length of the container and the object a third the length of the subject. An instructor at the Ohara School, where a lesson including materials costs the equivalent of about \$8, produces four different arrangements from a long hydrangea and a simple rose. Using a sharp pair of clippers, she alters angles, length and height, continually changing the relationship between the subject and object.

"Some students get very intense and others almost hysterical," says an instructor, noting that Japanese girls generally learn Ikebana at the age of 12. "In the end a student's success depends on individual temperament and a mastery of some basic theory."

Ohara was asked if Ikebana shouldn't be taught in a more religious setting, perhaps in a mountain temple with straw mats on the floor. "Ikebana is an evolutionary art form which a person must be able to practice in any environment," she said, acknowledging that Japanese flower arrangement has been greatly influenced by changes in architectural design. "It is as easy to work in an era of assembly lines and robots as it was in an age of samurai and shoguns."

The Ohara and other Japanese Ikebana schools have chapters throughout Japan and in many foreign countries. To obtain a list write: Wakako Ohara, Ohara Center of Tokyo 7-17, Minami-Aoyama 5-Chome Minato-ku, Tokyo 107 Japan.

Homely and Heading Straight for the Top

United Press International

SAN FRANCISCO — The good looks so important to success and popularity in high school do little to help the American male as he moves on to seek a high-status job and a well-educated wife, two sociologists say. Their report insists that the less-attractive fellow is more often found at the top during adulthood.

The results of the study by J. Richard Udry and Bruce Eckland

of the University of North Carolina were presented at the 77th annual meeting of the American Sociological Association.

Although a woman's attractiveness was not related to education, occupation or personal income, there was "significant" evidence that "female attractiveness affects her adult status through marriage to a high-income husband," Udry and Eckland say. For the male, however, the findings were quite different.

Two Main Findings

"First, the least-attractive males have the most education," the researchers report, citing a study of 601 men and 745 women. "Second, their occupational status is higher on the job classification score."

The study followed up data from a 1970 survey of men and women initially questioned during their high school sophomore year in 1955. Udry and Eckland's research assistants then rated the respondents' looks, using high school pictures. The study showed that the more-attractive woman, the more highly educated her husband. The opposite was true for the man.

Looks had no effect on income in the survey, the researchers feel, "but otherwise attractiveness (in men) impedes status attainment."

The job status rating decreases as "we proceed up the attractiveness score." Only the "outstandingly" good-looking men attain

jobs as prestigious as those of the least-attractive.

The survey shows the less-attractive men performed better in school and sexual relations at a later age than the better-looking males. There was no correlation, however, between a woman's looks and her school performance or adolescent sexual activity.

"Exceptionally homely men are socially handicapped in high school, which leads them to concentrate on educational achievement [but not earnings] later," Udry said.

The fact that the more-attractive men had the less-educated wives was explained by "the high level of

sexual activity and the low academic achievement of the better-looking males."

"Perhaps being good-looking gives a man so many heterosexual opportunities that he loses sight of other objectives and marries at an earlier age, thereby probably marrying a younger woman than the less-good-looking man, and therefore a woman with less education," Udry feels. The survey shows that the most-attractive men questioned married women almost two years younger than the least-attractive men.

Finally, the study shows, "to no one's surprise," that the least-attractive women were the least likely to marry. Udry reports.

Not a Decorator, A Camouflager

By Meredith Etherington-Smith

International Herald Tribune

LONDON — Diana Phipps, a socialite who used to be known for the parties she gave at her house in the country, has become more widely known as a decorator — with a difference.

Instead of shopping for exclusive fabrics, decorator card firmly in hand, Phipps is to be found browsing around remnant stalls or low-cost department stores, or picking up secondhand furniture in little-known auction rooms. "I'm not a decorator. I camouflage things, and I take every shortcut I can, using staple guns and glue, smearing paint to look like wood or marble," she says.

She explains her approach in a book called "Affordable Splendor" (£10.95, Weidenfeld & Nicholson, London) which has raised quite a few eyebrows in both decorating and decorated circles in England.

With drawings by Phipps, the book shows how — for virtually next to nothing — to make a one-room apartment look like part of a palace that has been untouched since the fall of the Austro-Hungarian Empire.

Phipps explains that her philosophy is "less looking like far more" as she sits in the burnt-sienna cave that is her London drawing room. Proof of her theory, the room is a fascinating exercise in fabric walls, with beautiful objects mixed in with second-hand furniture restored to look as good as old. She said that in her case necessity was the mother of such inventions as using a car paint spray gun to get that old look.

Grocery Boxes First

She was born Diana Sternberg in Vienna; her parents lived in a castle in Czechoslovakia, but were dispossessed by World War II. Finding herself in a small house in the United States, Phipps began to recreate the mellow ambience of *la vie du château*. At first, it was a matter of covering grocery boxes with blue gingham, stuffing cushions for the floor with clothes waiting to be ironed and covering her bed with more gingham.

Nowadays, she is more likely to be staple-gunning fabric to the walls of houses, castles and small rooms for friends who love not only her antique régime taste but also the fact that it doesn't cost much. She prefers to work for men. "They're easier, not so changeable and they're likely to take less interest in what I'm doing. I cut corners the whole time, so the person who has time to discuss everything and wants endless swatches is not my sort of client, as I absolutely hate going shopping for things. I just buy in bulk," she explains.

As she says in her book: "I know where such talent as I might have lies. It is certainly not in going from one smart decorating shop to another and wasting hours 'making contacts' there. A terrible sort of exchange of credentials takes place: 'Yes, we know that decorator, no, we wouldn't work with that one, in Paris they are making the shades this way, so-and-so is now also making sheets, have you seen the new light fixtures from Italy?'"

"In exchange for this boring and, at least for me, hard work (and if my credentials are right), I'll be sold something expensive and perhaps be given a few addresses. I have no talent for these maneuvers and begrudge the time. I can put it to better — and far more satisfying — use by trying to face-lift a bit of junk into something original."

Full Instructions

Phipps's basic theory is "grand and old is more easily reproduced than simple and new," and her book gives step-by-step instructions — illustrated with her drawings — to such affordable splendors as the homemade *hi la Polonoise*, using yards of low-cost cotton gingham, glue, a staple gun and a base made of a wooden frame.

What do her decorator friends think of her book? "I haven't dared ask," she admits, "but all they say when they see me is 'How's it selling?'" She adds: "Don't get me wrong, I don't in any way want to be detrimental to decorators. They do a marvelous job, but that's not what I do. I camouflage things."

She hopes that "Affordable Splendor" will be brought to a wider audience through a proposed cable television series in the United States. Phipps says her ambition is not to return to the castle of her youth, but to apply her principles to the American mobile home, because it would be "really very amusing indeed — don't you think?"

Doing It Yourself

International Herald Tribune

LONDON — Some typical advice from Diana Phipps in "Affordable Splendor": When searching for a piece of furniture to rehabilitate, looking for shape is better than looking for color or for quality. Once you have found a shape that is pleasing, you should give consideration to the neighboring pieces. It's a mistake, for instance, to buy a huge overstuffed armchair to stand next to a small 18th-century sofa.

Color and even quality can be changed. If cushions have foam, substitute feathers. If a chair is too tall, part of the legs can be sawed off; if too low, casters can be added, or if you do not want to slide around on it four empty thread spools glued on to the legs work admirably well. (They must, of course, be stained or painted to match the chair.) If the legs are ugly, they can have material glued on them, or they can be hidden by a frill or pleats of the same material in which the chair is covered.

To know how much material to buy to cover a chair or a sofa, I usually drape a piece of string over the largest part of it, measure the length of the string, and double it. Not perfect, but quick....

I find it easier to upholster (close-cover) than to make loose covers. When close-covering, I can pull the material to fit the shape, take tucks in it if I have failed, hold it all down with staples, and glue something (gimp, braid or string) over the staples.

A loose cover needs to really fit, without the advantage of being anchored to the piece of furniture. I don't even mind making a new cover from scratch if I can tear apart the seams of the old, well-fitting one and cut the new loose cover according to the pattern of the old.

Reupholstering furniture is easier than you might expect and saves almost as much in irritation as it does in money. I don't pretend that the amateur, especially the impatient one, can do as well as the best upholsterer. But certainly the amateur can do as well as the little man around the corner who is "half the price."

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BUSINESS / FINANCE

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WALL STREET WATCH

By EDWARD ROHRBACH

Analysts Divided on Whether Rally Is More Than a Fluke

The only consensus ever reached by Wall Street is general disagreement. It's what makes a market, of course. And often some of the best arguments, as in real life, happen at home.

Take A.G. Becker for example. The brokerage firm's Roy M. Blumberg, who as a technical analyst dissects the market as an animal snarled by charts and indicators, writes in Becker's Weekly Review that the surge in stocks that began a month ago is no more than a bear rally. That is, the long-term trend is down, way down. After topping out at about 950 on the Dow, he sees stocks over the next few months plummeting 200 points to bottom in the 725-to-750 area.

Meanwhile, Becker's investment policy committee, where the focus is on stock fundamentals, such as company profit expectations, in the same issue is telling clients to be "aggressive buyers," with all their cash reserves bet on the market. You have to admire the firm's commitment to free speech.

In-house contrary opinion is probably much more common right now between New York home offices and the brokerage firms' European branches. On Wall Street, the flame generally burns bright, while in Europe a lot of shadowy skepticism remains about where the stock market is headed.

There's Kidder Peabody, where both technical and fundamental analysts in New York with the firm are bullish. Ralph Acampora asserts indicators point to a market "possessing tremendous internal strength" while William Gillard, head of Kidder Peabody's portfolio strategy group, envisions a powerful "secular" trend boosting stocks. The impact of lower inflation weaning Americans away from a borrowing and spending psychology to repayment of debt, saving, and investing.

Jean-Pierre Saillard, vice president and head of the firm's Paris office, disagrees "totally," at least short-term. Over the next six months he sees stocks suffering as U.S. companies report bad earnings. Neither is he impressed by the "buying panic" that gripped Wall Street in mid-August. "Before the rally, people there saw the Dow dropping to 700; three days later the expectation was for it to reach 1,000." Fear now dominates investor opinion about the market, he added. "Everyone's scared they'll miss the rest of the move up, but just as scared if they do jump on they'll ride it for a sharp fall."

Spreading the Word

Spreading Wall Street's upbeat view of the stock market to institutional portfolio managers in Europe this week has been Richard B. Hoey, investment strategist at Bache Halsey Stuart Shields. He interprets the recent surge in prices as "the street's classical response" of anticipating a recovery in the general U.S. economy. The rebound will come in the fourth quarter, says Mr. Hoey, and will be "significant."

Mr. Hoey favors three categories of stocks in this environment. First is "consumer cyclical," such as retail issues like Sears Roebuck. Then "intermediate cyclical," not concentrated on capital spending; he cites International Paper. Third, "high-growth" companies such as those in the hospital management group, headed by National Medical Enterprises, and selected technology issues, led by IBM. He puts defense stocks in that category, too, naming Rockwell and Sanders Associates.

Pierson, Holding & Pierson, a Dutch bank with a long history of investing in the United States, remains "hesitant" about Wall Street's prospects, according to Robert J. Van Doorn, manager of international investment research. He expects short-term interest rates to fall further and probably send the market higher, but that will "only reflect the stagnating American economy."

On the horizon he sees 1983 profit forecasts for companies being shaved back just as they have for the rest of this year. Nevertheless, he said the bank is "sniffing" at buying stocks in the cyclical area, namely paper, tires and autos — "maybe even mining and mineral stocks." Now the portfolio is being weighed into the highest quality issues, he said, emphasizing consumer goods such as foods, drugs, hospital supplies and electronics. Stocks being bought include Nabisco Brands, Quaker Oats, Philip Morris, IBM, Hewlett Packard, Baxter Travenol, SmithKline Beckman and American Hospital Supply.

Strongly bullish are two of the most popular market advisory letters published in the United States, Zweig Forecast and the Professional Tape Reader. Saying that the "indicators remain potent," Zweig advised subscribers this week to increase exposure 5 percent to being 95 percent long. The Tape Reader's Stan Weinstein sees some short-term weakness ahead in the market as an opportunity for investors to commit funds in three core areas: computers, drugs, and electronics. Traders might stick a toe in the oil, but he still doesn't consider it a favorable group.

International Herald Tribune

UTC Makes Higher Bid For Bendix

Compiled by Our Staff From Dispatches

NEW YORK — United Technologies Corp. sweetened its takeover offer for Bendix Corp. by \$120 million Wednesday in a bid to end what it called an "intolerable situation" for the companies locked in a three-way merger fight.

A Bendix spokesman said the company had no comment on the revised offer.

United Technologies said it increased the cash portion of its tender offer for 11.5 million Bendix shares to \$85 a share from the previous \$75 a share. There was no change in the second step of the proposed merger, in which United Technologies would acquire the remaining Bendix stock in a swap of United Technologies stock. Also unchanged was the agreement with Marietta under which United Technologies and Marietta would split Bendix's assets if either prevails in its takeover bid.

The directors of Bendix, which itself is making a \$1.7 billion takeover bid for Marietta, had unanimously rejected United Technologies' original \$1.5 billion offer. Bendix also has rejected a \$1.5 billion bid by Marietta, which has teamed up with United Technologies against Bendix.

Harry J. Gray, chairman of United Technologies, said in a letter to Bendix Chairman William M. Agee that the revised offer was designed to end the multimillion-dollar battle between the two companies and Marietta.

"We believe that the present competing tender offers by Bendix and Marietta create an intolerable situation for both companies, their shareholders and employees," Mr. Gray wrote. "Our offer is an alternative that will resolve the situation."

Analysts said that Bendix was the beneficiary of the Justice Department decision Tuesday that it would not intervene in any combination of Bendix and Marietta but was still reviewing antitrust problems that might be raised by the United Technologies bid for Bendix.

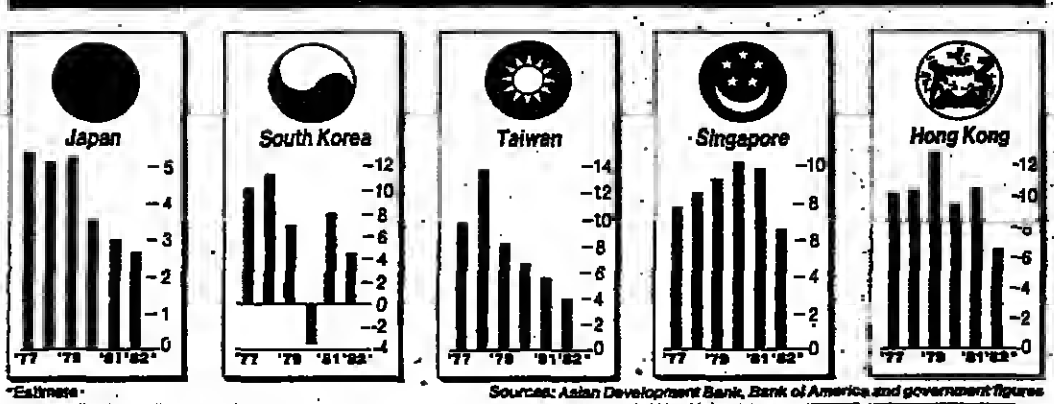
"This gives Bendix a clear advantage," said Guy Wyser-Fratte, chief arbitrator for the Wall Street House of Bache Halsey Stuart Shields.

Because Bendix started the takeover battle on Aug. 25, it would be free under federal regulations to move first, with no apparent impediment to its purchasing a controlling interest in Marietta. Shortly after midnight Thursday, the withdrawal deadline for its tender offer.

Marietta, on the other hand, would not be able to buy a 51 percent stake in Bendix under the rules until midnight Sept. 23. And United, which must now await Justice Department clearance, will not be able to buy any Bendix shares until midnight on Sept. 28 at the earliest.

Prospects for Growth in East Asia

Real growth, annual percent change



In Taiwan, Economic Slowdown May Have Come 'at the Right Time'

By Steve Lohr

New York Times Service

TAIPEI — With Taiwan's exports stagnant and its economic growth running at half the government target for the year, gloom would seem to be the appropriate demeanor for business executives and government economic officials here.

But faces turned sour by the economy are scarce in Taiwan. Because of the rapid economic growth in the past, Y.C. Wang, chairman of the Formosa Plastics Group, Taiwan's largest private corporation, said that "people here have been reacting too much; this slowdown has come at just the right time."

"Our businesses have been somewhat spoiled by all the growth we have experienced," said Vincent C. Siu, a senior official in the Ministry of Economic Affairs. "The slowdown is helping educate our people."

In the face of the worldwide economic slump, Taiwanese business and government officials can afford to take a comparatively relaxed attitude for three reasons. Taiwan felt the effects of the global contraction well after the major Western economies, the slowdown has been less severe and, most important, it has not yet caused unemployment problems.

The situation is much the same in the other power-

ful economies of East Asia — Japan, Singapore, Hong Kong and South Korea. In Singapore, for example, growth for 1982 is expected to be more than 5 percent, down from levels above 10 percent in recent years. Yet Singapore companies still employ more than 50,000 foreign workers because the local work force cannot fill all the jobs.

In Japan, the government announced in late August that the economy grew at an unexpectedly robust 5.1 percent annual rate in the period from April to June. In July, Japan's unemployment rate was 2.4 percent, a level that is high for Japan but would be considered miraculously low in the West.

Most economists expect the Japanese economy, by far the largest in the region, to expand by about 3 percent for 1982 as a whole.

Hong Kong Growth

There is concern in South Korea about the government's ability to chart a stable economic policy and deal cooperatively with foreign investors. Nonetheless, most economists predict that the South Korean economy will advance by about 5 percent.

Despite jittery financial and real estate markets because of worries about China's future policy toward

(Continued on Page 11, Col. 7)

U.S. Industrial Output Slipped 0.5% in August

United Press International

WASHINGTON — Industrial production fell by 0.5 percent in August, the Federal Reserve Board said Wednesday. The drop offset a slight improvement made in July.

The decline in production was the 11th in the past 13 months. It raised new doubts over the possibility that U.S. manufacturers are about to show a recovery.

A revision turned estimates of a decline in July into a gain of 0.1 percent. Only July and February have shown any interruption in a trend of declines that began in August 1981.

The August production report showed that the automobile industry reduced its assembly rate by more than 16 percent, to an annual rate of 5.5 million units.

Business equipment output dropped 1.4 percent in August, the Fed said, and has now dropped 18 percent since the recession began.

The Fed said production of consumer goods dropped 1.2 percent in August. This was viewed as especially significant, since that category had shown some growth for the previous three months and was expected to benefit from an income tax cut that took effect in July.

The industrial production index was 138 in August, compared with a base of 100 in 1967.

The only major categories to show any improvement were defense and space equipment, where production rose by 0.8 percent, and construction supplies, up 0.2 percent, the report said.

Factory production accounts for nearly one-third of the value of all the goods and services produced by the U.S. economy. But it has been the hardest hit by cutbacks, while the services sector, from fast food restaurants to insurance companies, have been far less affected.

After an economic downturn, production cutbacks caused by lack of demand led quickly to layoffs. Even when demand begins to pick up again — which the latest retail sales figures show has not happened — factory managers wait for the recovery to establish itself before calling back laid-off workers.

At the beginning of the week, the Commerce Department reported that retail sales declined 0.9 percent in August, despite predictions by many economists that the tax cut in July would lead to more consumer spending.

In a separate report Tuesday, the Commerce Department said inventories rose 0.1 percent. But Commerce Department analysts said the increase was attributable to an unintended buildup of unsold automobiles.

Also on Tuesday, General Motors, Ford and Chrysler reported that sales for the first 10 days in September fell 28.6 percent.

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France Is Seeking A \$4-Billion Loan To Defend Franc

By Carl Gewirtz

International Herald Tribune

PARIS — Declaring that it will not allow speculators to force another devaluation, the French government announced Wednesday that it is seeking a \$4-billion loan in the Euro market to defend the franc.

"Everyone must understand that speculators cannot hope to see France devalue its currency in any way whatsoever," the government announced after the weekly meeting of the cabinet, which approved the proposal of Finance Minister Jacques Delors to seek the 10-year loan.

Foreign bankers criticized the terms of the loan as unattractive but predicted it would be arranged.

The franc, which has been under pressure in the foreign exchange market for weeks, recovered modestly from its record lows against the dollar and Deutsche mark on news of the loan. The dollar, which Tuesday was worth 7.1145 francs, declined steadily all morning and was quoted at 7.06 francs at Wednesday's midday fixing.

More significantly, the franc also gained against the Deutsche mark, against which it has a fixed parity within the European monetary system. On Tuesday, the rate was set at 2.8325 francs per mark — nervously close to the EMS-imposed midpoint of 2.83396. Wednesday, it took 2.8234 francs to buy one mark.

Former Prime Minister Raymond Barre said this week that France should consider preserving its reserves by temporarily withdrawing from the obligatory support imposed by the EMS. But the Socialist government of Francois Mitterrand rejected that idea.

"The government will use all the means at its disposal, which are sufficient," to defend the franc and improve the country's economic performance, Mr. Mitterrand told the cabinet.

France's trade deficit totaled 52.4 billion francs (\$7.4 billion) in the first seven months of 1982 and for the year is forecast to total around 100 billion francs, nearly double last year's level. Many experts attribute the performance to the government's previous policy of attempting to spend its way out of recession. Following the June devaluation, the government shifted gears and made fighting inflation, rather than reducing unemployment, its primary goal.

However, foreign exchange dealers say the continuing speculation against the franc is a reflection of the market's distrust of the government's resolve and suspicion that it will not succeed.

The loan is aimed at bolstering the government's ability to defend the franc. The exact size of France's reserves has become a state secret, but the Bank of France's latest figures indicate that its currency reserves total some 28 billion francs, down from a post-devaluation high of 35 billion francs.

The loan, therefore, would about double the cash available. Around \$1 billion of the loan is to be drawn for the full 10 years within six months of the expected mid-October signing. The rest is to be a standby facility for the government to use and repay and then reuse as it sees fit. The loan is repayable in annual installments starting at the end of the sixth year.

Interest on the loan, the largest ever syndicated on the Euro market for a government, is to be set at half a point over the London interbank offered rate, currently 13 1/4 percent. In addition, France is to pay lenders a commission of 0.2 percent and a commitment fee of 0.25 percent on any portion of the standby not used. Mr. Delors said the total cost of the loan will be equal to 0.54 point over Libor.

Though the margin is more than (Continued on Page 11, Col. 6)

Sarakreek Holding N.V.

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The following is a summary of the unaudited results for the six months ended 30th June, 1982

	Six months ended 30th June 1982	1981
	'000	'000
Profit and loss account		
Income		
-Rents	15,777	11,804
-Interest	3,470	1,219
-Other	774	1,391
	20,021	14,414
Expenses - Property	8,318	7,468
-Interest	2,385	1,837
-Administration	1,293	1,159
	(11,994)	(10,464)
Profit before tax	8,027	3,850
Tax	-	-
Profit before minority interest	8,027	3,850
Minority interest	(446)	(157)
Net profit	7,581	3,793
Earnings per share	\$1.63	\$1.10
Consolidated balance sheet	30th June 1982	31st December 1981
Assets		
Properties	\$700	\$700
Properties	169,681	174,348
Mortgage loan receivable	17,100	17,100
Property interest	186,731	181,449
Current Assets		
Miscellaneous receivables	8,363	6,879
Cash	38,218	43,651
Total	47,581	50,530
Total Assets	234,312	241,979
Shareholders' equity and liabilities		
Shareholders' equity		
Share capital	54,444	54,444
Reserves	78,118	83,631
Unappropriated profit	7,581	-
Total equity	141,143	138,075
Mortgage loans payable	34,938	40,678
Capitalised lease obligations	33,786	11,890
Deferred tax and selling costs	27,264	21,939
Minority interest	7,232	6,832
Current liabilities	9,949	22,467
	234,312	241,879

Sarakreek is a property investment holding company which invests in completed income-producing office buildings and shopping centres in the United States. Net assets at 30th June, 1982 were \$168.4 million, equivalent to \$36.31 per share, before provision for deferred tax and selling costs which only become payable in the event of a sale and if tax shelter is unavailable, and before making any deduction in respect of dividends for the year.

In its report accompanying the interim results, the Management Board stated that although interest income on uninvested funds may be lower in the second half of 1982, due to increasing rental income the Company should still produce satisfactory results for the whole year 1982.

The company obtained a listing on The Stock Exchange in London on 18th July 1982 and it is also listed on the Amsterdam Stock Exchange and traded on the over-the-counter market of the Paris Stock Exchange. Copies of the interim report together with the full text of the report of the Management Board, and the document prepared for the introduction to The London Stock Exchange may be obtained from J. Henry Schroder Wagg & Co. Limited, 120 Cheapside, London EC2V 6DS.

16th September 1982

New York Stock Prices Higher in Late Surge

Compiled by Our Staff From Dispatches

NEW YORK — Prices on the New York Stock Exchange rallied late in the session Wednesday to finish with a moderate gain after see-sawing back and forth most of the day.

The Dow Jones industrial average closed up 745 points at 930.46, its highest this year. Gainers outnumbered losers by about nine to five, as volume fell to 69.7 million shares from Tuesday's 83 million.

Analysts said investors were encouraged by rumors, later confirmed, of a drop in mortgage rates by a major savings and loan.

Analysts said breaking the 930 level has been a difficult accomplishment, but one that was con-

sidered important if the market is to have another short-term boom. Harvey Deutsch, an analyst with Purcell Graham, said buying was spurred late in the session by rumors that a major savings and loan would cut its mortgage lending rate.

Those reports proved correct as H.F. Ahmanson, a major mortgage lender on the West Coast, trimmed its mortgage rate for 30-year adjustable loans to 13 1/4 percent from 15 1/4 percent.

Most observers found the profit-taking at the 930 level normal considering the Dow average had risen about 150 points from its 27-month low of 776.92 on Aug. 12.

Institutions were trying to find the right stocks to put in their

portfolios for the fourth quarter and that was causing erratic price fluctuations, experts said.

Robert Colby, technical analyst at Smith Barney, Harris Upham, predicted that the market should continue in a corrective phase over the next few weeks "with the Dow declining to below the 900 level."

The Federal Reserve acted to drain reserves from the banking system, sending a note of caution into the market.

The Fed's unexpected move was viewed by analysts as possible signal of a slight tightening in monetary policy.

They suggested that the Fed may already be concerned about above-target money growth this month and that it may be attempt-

ing to signal the markets of its continued concern about the money supply.

On the NYSE floor, bank stocks were strong gainers in active trading. BankAmerica gained 1/4 to 18 1/4. Chase Manhattan rose 2 1/4 to 38 1/4 and Citibank rose 1/2 to 26.

Mr. Deutsch said concerns that international banks might have difficulties with loans to Latin American and other nations are abating.

Two other big gainers were Madison Fund, which gained 2 to 20 1/4, and 3M, which rose 2 to 64 1/4.

American Telephone & Telegraph closed off 1/4 at 56 1/4 in heavy trading. AT&T reported three-months earnings of \$2.27 a share versus \$2.30 a year ago.

Mobil attracted attention. Mobil and American Hoechst said they had successfully launched a new plastics materials plant in Baton Rouge, La.

General Electric closed up 1/4 at 76 1/4. Trane said it has completed the purchase of GE's air-conditioning unit for \$135 million. O'Connor Associates and O'Connor Securities of Chicago challenged the agreement.

Liberty Corp. won support. Directors have authorized the company to buy back up to 3 million of Liberty's shares at \$16 a share. The company said it also has lined up \$110 million worth of credit.

On the Amex, Evans-Aristocrat was active and higher. Enso Corp. has offered \$16 a share for Evans-Aristocrat stock.

Chrysler led \$3.27 billion from 1979 to 1981, but earned \$256 million in the first half of this year.

CURRENCY RATES


Interbank exchange rates for Sept. 15, excluding bank service charges.

Interbank exchange rates for Sept. 12, excluding bank service charges.									
	\$	£	D.M.	F.F.	Y.	Sw.	S.P.	S.F.	O.C.
Amsterdam	2.274	4.49	19.53	3.77	0.94	5.67	128.39	30.94	5.425
Brussels (C)	47.84	62.225	19.716	6.01	3.4125	12.35	3.229	117.26	26.26
Frankfurt	2.285	4.49	19.53	3.77	0.94	5.67	128.39	30.94	5.425
London (C)	1.7119	—	—	—	—	—	—	—	—
Milan	1,407.05	2,412.00	563.84	19.29	—	—	—	—	—
New York	—	1.260	6.297	0.1406	0.071	0.243	0.0287	0.0434	0.1129
Paris	7.26	12.10	28.36	—	—	—	—	—	—
Zurich	2.129	34.79	81.125	30.155	0.1514	77.76	4.037	—	24.675
1 ECU	0.9428	0.5493	2.2844	0.4447	128.27	2.5776	45.235	2.0058	1.3319
1 SDR	1.0802	0.6302	2.7003	0.7234	159.92	2.9555	51.754	2.2797	N.A.

Dollar Values											
\$	£	Per	\$	£	Per	\$	£	Per	\$	£	Per
Swiss	0.53	0.53	Swiss	0.53	0.53	Swiss	0.53	0.53	Swiss	0.53	0.53
0.6465	1.0651	0.6465	0.6465	1.0651	0.6465	0.6465	1.0651	0.6465	0.6465	1.0651	0.6465
0.6282	1.0651	0.6282	0.6282	1.0651	0.6282	0.6282	1.0651	0.6282	0.6282	1.0651	0.6282
0.8117	1.210	0.8117	0.8117	1.210	0.8117	0.8117	1.210	0.8117	0.8117	1.210	0.8117
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0.8117	1.210	0.8117	0.8117	1.210	0.8117	0.8117	1.210	0.8117	0.8117	1.210	0.8117
0.8117	1.210	0.8117	0.8117</								

Tables include the nationwide prices up to the closing on Wall Street.

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LA COLLECTION SPORTIVE

[illegible]

BUSINESS BRIEFS

BL Cuts Its Pretax Loss in Half

LONDON — BL, Britain's state-owned automaker, said Wednesday that it faces continuing difficult market conditions, perhaps worse in certain respects, but that it still aims to approach the break-even point at the pre-interest trading level in 1983.

BL, which narrowed its pretax loss for the six months ended July 3 by almost 50 percent to £106.5 million (\$182 million), said that since the second half of 1980 it has reduced trading losses by about £50 million every six months and expects to achieve the planned loss reduction for 1982.

Global Dissidents Win 1 Board Seat

NEW YORK — Dissident shareholders of Global Natural Resources said Wednesday that only one of their candidates won a board seat.

The dissidents, who are seeking control of the oil and gas company, claiming it is poorly managed, managed to elect Alan C. Greenberg, chief executive of Bear, Stearns & Co. to Global's board. Bear Stearns, a New York stockbrokerage, is leading the dissidents' proxy fight. The vote was held Monday on Jersey, the largest of the Channel Islands, where Global is based.

The dissidents said all of their nominees would have been elected had it not been for the 3.1 million shares Global issued to acquire McFarlane Oil Co. The committee said it will press legal efforts to invalidate the acquisition.

TI to Develop Chips for IBM

DALLAS — Texas Instruments and International Business Machines have agreed to develop sophisticated integrated circuit silicon chips for use in business office networks linking computers and office machines, officials said Wednesday.

A Texas Instruments spokesman said that under the agreement his company will design to IBM's specifications Very Large Scale Integration chips mountable on a printed circuit card.

Manville Sees \$4.8 Billion in Suits

DENVER — Manville Corp. may face \$4.8 billion in liability from asbestos-related lawsuits, more than twice what the company anticipated when it filed for protection under federal bankruptcy laws two weeks ago.

Last month, the corporation estimated its potential liability at \$2 billion, which officials said would bankrupt the Denver-based company. Officials doubled that estimate Tuesday after releasing the report that prompted the bankruptcy filing.

CBS Previews Cable Write-Off

NEW YORK — CBS expects the write-off it will take in the third quarter from folding its cultural cable programming operation will be no more than \$10 million to \$12 million, broadcast group president Gene Jankowski told securities analysts Wednesday.

He said the \$10 million-\$12 million figure is a "worst case scenario," adding that operating losses from the operation probably will total close to \$30 million.

Compiled From Agency Dispatches

COMPANY REPORTS

Revenue and profits, in millions, are in local currencies unless otherwise indicated.

Australia			Rio Tinto-Zinc		
Wormold Int'l			1st Half	1982	1981
Year	1982	1981	Revenue.....	1,680	1,540
Revenue.....	787.27	718.11	Profits.....	28.9	47.0
Profits.....	16.12	15.55	Thomas Tilling		
Britain			4 Months	1982	
Bowater			Revenue.....	1,090	922.9
6 Months	1982	1981	Profits.....	20.8	31.7
Revenue.....	1,240	1,260	United States		
Profits.....	32.2	22.8	American Telephone & Telegraph		
British Leyland			3 Months	1982	1981
4 Months	1982	1981	Revenue.....	16,500	14,900
Revenue.....	1.46	1.41	Profits.....	1,970	1,870
Profits.....	3.70	—	Per Share	2.27	2.30
Burmah Oil			12 Months	1982	1981
6 Months	1982	1981	Revenue.....	63,300	55,400
Revenue.....	674.4	674.4	Profits.....	7,300	6,400
Profits.....	38.3	33.0	Per Share	8.69	8.64

Woolco Tries to Give New Life to Old Stores

By Isadore Barmash

New York Times Service

NEW YORK — Bruce G. Allbright expected a challenge when he accepted the job of chairman and chief executive officer of the U.S. Woolworth-Woolco division of F.W. Woolworth Co. eight months ago. So far, the job has met his expectations.

Making the company's 20-year-old Woolco discount chain profitable has been Mr. Allbright's first order of business. While the task has not been easy, he said, it is under way.

"I've been able to set some priorities and put a plan in action," he said. And then, as an aside, he added with a smile, "I'm still trembling."

His concern, and the reason for making Woolco his first priority as head of Woolworth's cornerstones business, is based on the fact that the unit, which operates 337 stores with sales of \$2 billion, lost \$19 million last year.

The Woolworth-Woolco division in the United States last year accounted for 53 percent of the parent company's sales of \$7.2 billion and 21 percent of the company's profit of \$82 million. But Woolco itself proved a drain in 1981 after recording operating income of \$14 million in 1980 and \$25 million in 1979.

Large Interests

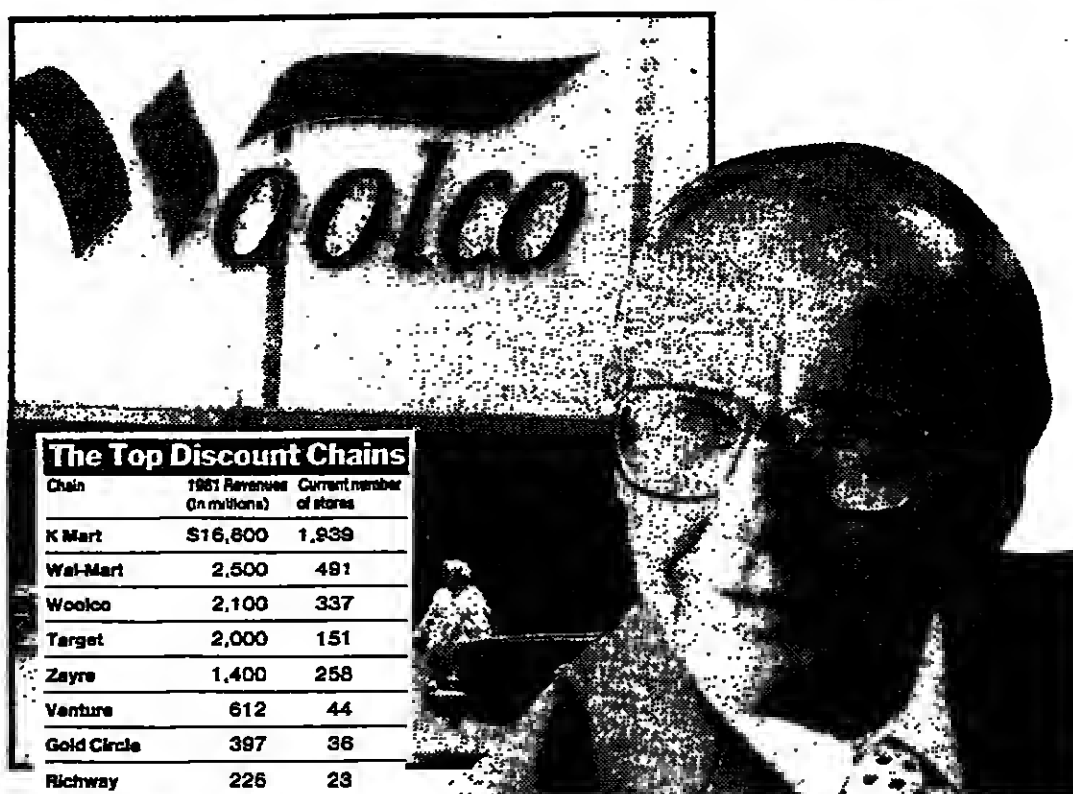
In addition to its Woolworth and Woolco stores in the United States, the parent company also operates in Canada and West Germany and owns Kinney Shoe, the Richman Brothers clothing chain, the J. Brannan apparel chain and several smaller clothing-related companies. It also holds a majority interest in Britain's F.W. Woolworth Co.

Twenty years ago, Woolworth and S.S. Kresge, then two of the largest variety store companies in the United States, decided almost simultaneously to start discount store chains. Kresge formed its K mart division and Woolworth established the Woolco division. But each evolved in dramatically different ways.

K mart has become the second-largest general merchandise retailer in the United States after Sears, with 1,900 stores recording sales of \$16 billion last year. The discount chain grew to such a degree that the parent Kresge adopted the unit's name for its own. But Woolworth's Woolco division, while growing into 337 stores and sales of \$2 billion, has languished.

The difference, analysts and retail executives agree, is that Kresge recognized early that the traditional U.S. five-and-ten-cent store would be made largely obsolete by the population exodus to the suburbs. Unlike Woolworth, it then put its full resources behind the shift.

"Kresge combined that with a successful low-price image, opened



A Woolco discount store and Bruce C. Allbright, chairman and chief executive of the unit.

The Top Discount Chains		
Chain	1981 Revenue (in millions)	Current number of stores
K Mart	\$16,800	1,839
Wal-Mart	2,500	481
Woolco	2,100	337
Target	2,000	151
Zayre	1,400	258
Venture	612	44
Gold Circle	397	36
Richway	226	23

smaller, more productive stores than Woolco and put all of its corporate resources behind the plan," said Jeffrey B. Edelman, first vice president of Dean Witter Reynolds. "That did it, plus the ability to obtain the right kind of quality goods for the low price."

The Big Step

Last January, Woolworth took a step long awaited in the industry. Reportedly for the highest salary the venerable company has ever paid an executive, Woolworth ventured outside to hire Mr. Allbright, 53, president of the highly successful Target discount store division of Dayton-Hudson, to be chairman and chief executive of its cornerstone operation. His mandate: To turn Woolco around.

His five-year employment contract, effective last February, according to a proxy statement, calls for an annual salary of \$350,000 plus other compensation of at least \$150,000.

Mr. Allbright frankly acknowledged that there are "hundreds of corrections" that must be made to meet his goal of making Woolco profitable by 1984. Some of the points in his five-year turnaround plan include renovation of existing stores and an intensive effort to improve sales productivity.

"Our sales per square foot, about \$69 a square foot of gross space, or about half the acceptable level, has been deficient," he said. "The inadequate return has

come from insufficient housekeeping, antiquated facilities, not enough traffic, poor service and advertising, but most of all from our merchandising performance."

Outside Executives

The first step of his plan has been to bring in outside executives to head the Woolco discount stores and to separate the staffs and functions of the Woolco and Woolworth stores so that each would get separate and more concentrated management attention.

Last month, Harold Smith, executive vice president of the Magic Mart discount store chain, owned by Sterling Stores of Little Rock, Ark., was appointed to the new post of president and chief operating officer of Woolco's U.S. division.

Separate field organizations were established for both of Woolworth's domestic store chains. Mr. Allbright said, and separate merchandising will soon be put into effect.

The new name will be the U.S. General Merchandising Group of F.W. Woolworth & Co.

"I see Woolworth as a convenience merchandise store with limited lines," he said. "We are currently identifying the core departments that we want to emphasize and then we hope to add some secondary departments." But, he asserted, "the major stress now will be on Woolco."

In Taiwan, Slump Said To Hit at 'Right Time'

(Continued from Page 9)

the British colony, Hong Kong's economy is likely to expand by at least 3 percent this year.

Taiwan is a good example of the kind of impact the slump in the West has had on the export-dependent economies of East Asia. During the first six months of 1982, Taiwan's inflation-adjusted, or real, economic growth was 3.5 percent, running well behind the government target of 7.5 percent for the year.

Now, the government's forecast for 1982 is 4.2 percent. Yet the term "recession," traditionally defined as two consecutive quarters of economic contraction, cannot be applied to Taiwan. Its rate of growth has merely slowed down.

Exports represent more than 50 percent of Taiwan's gross national product, about five times the export share of the U.S. economy.

"So when the world economy is in a slump, it hurts us considerably," said K.H. Yu, chairman of

the Council for Economic Planning and Development. "There is no way for us to avoid that."

Textiles and electronics products combined account for 38 percent of Taiwan's exports, and sales to foreign buyers are down in both categories. In the first half of 1982, exports overall inched up just 0.4 percent from the comparable period last year.

Taiwan's long-term prospects, too, depend greatly on world markets. During the 1980s, the government hopes the national economy will show an average annual growth of 7.9 percent.

Still, like other East Asian nations, Taiwan's economy has shown more resilience to adversity than most Western countries. A foreign banker in Taipei noted that if the world economy does not recover for years, Taiwan and its neighbors could face high levels of unemployment, and related social strains.

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airways

Tables include the nationwide prices up to the closing on Wall Street.

12 Month	High	Low	Stock	Div.	Yld.	P/E	100s	High	Low	Close	Open	Close	Open	12 Month	High	Low	Stock	Div.	Yld.	P/E	100s	High	Low	Close	Open	12 Month	High	Low	Stock	Div.	Yld.	P/E	100s	High	Low	Close	Open
13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50
13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50
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Italy.....Lire	165,000	82,500	45,500
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Norway.....N.Kr.	1,120	560	308
Portugal.....Esc.	8,650	4,325	2,400
Spain.....Pes.	14,200	7,100	3,900
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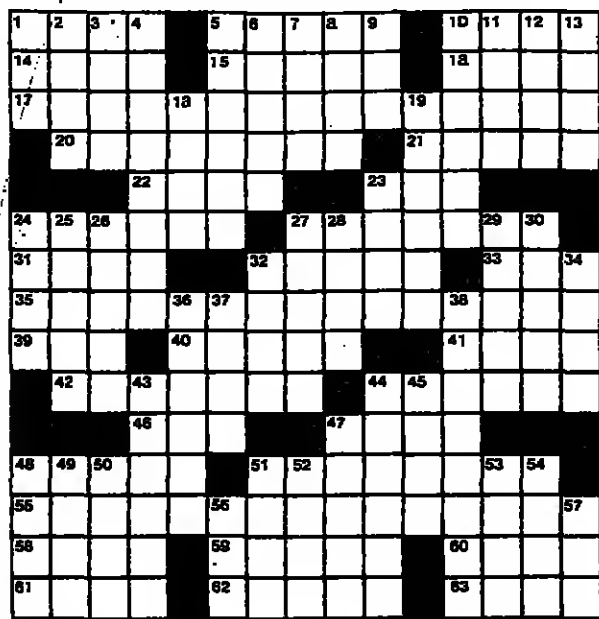
City

Job/Profession

Nationality

Company activity

CROSSWORD



- ACROSS**
- 1 Betsy of flag-making fame
 - 3 — voice
 - 10 Long along
 - 14 Orchestra
 - 15 To the back
 - 16 Unctuous
 - 17 With 35 and 55
 - 20 Across
 - 21 Small map in an atlas
 - 22 Wild rage
 - 23 High, in music
 - 24 Early motels
 - 27 Aids for
 - 31 Bet first, in poker
 - 32 Boy Scout's badge
 - 33 "Three Men in a Boat"
 - 35 See 17 Across
 - 39 Break a commandment
 - 40 To pray, to Plautus
 - 41 Eskimo's vehicle
 - 42 Type of poem
 - 44 Van Gogh's "The Potato Eaters"
 - 46 Venturi or Rossi
- DOWN**
- 47 Concerning
 - 48 Debussy work
 - 51 Senora's scarf
 - 53 See 17 Across
 - 58 The depth of beauty
 - 59 Father: Comb form
 - 60 Sinister
 - 61 "Riddle me"
 - 62 Pick pockets
 - 63 Like X-rated films
 - 64 Fond grandparents
 - 65 Cheshire Cat's expression
 - 66 Acrostics
 - 67 Persons and Winwood
 - 68 Coils of yarn
 - 69 Involve
 - 70 Good covering
 - 71 Word with red or dig
 - 72 Final
 - 73 Egyptian cross
 - 74 Caesar's 1502
 - 75 Ditch around a castle
 - 76 Prefix with chamber
 - 77 Tin Pan Alley subject
 - 78 111 — (on the spot)
 - 79 Harvest goddess
 - 80 Swatter victim

WEATHER

	HIGH	LOW		HIGH	LOW
ALGAYE	27	21	20	64	Fair
ALGERIA	29	24	17	63	Fair
AMSTERDAM	25	21	9	48	Fair
ANKARA	27	21	9	41	Fair
ATHENS	30	24	20	68	Fair
AUCKLAND	13	10	8	44	Showers
BANGKOK	34	27	21	81	Cloudy
BEIRUT	27	21	13	57	Fair
BERLIN	24	19	11	52	Fair
BIRMINGHAM	27	21	16	61	Cloudy
BRUSSELS	28	22	11	54	Fair
BUDAPEST	27	21	16	61	Fair
BUEENOS AIRES	27	21	16	61	Overcast
CAIRO	33	27	20	68	Fair
CAPE TOWN	27	21	16	61	Fair
CASABLANCA	27	21	16	61	Fair
CHICAGO	19	14	16	61	Rain
COPENHAGEN	20	16	11	54	Fair
COSTA DEL SOL	32	26	19	74	Fair
DAMASCUS	27	21	16	61	Overcast
DUBLIN	17	14	15	59	Overcast
EDINBURGH	22	17	13	55	Cloudy
FLORENCE	26	21	14	57	Cloudy
FRANKFURT	27	21	16	61	Fair
GENEVA	27	21	16	61	Fair
HARARE	19	14	16	61	Fair
HELSINKI	14	10	7	45	Overcast
HONG KONG	28	22	17	64	Cloudy
HOUSTON	27	21	16	61	Fair
ISTANBUL	27	21	16	61	Fair
JERUSALEM	29	24	19	74	Fair
LAS PALMAS	27	21	16	61	Fair
LIMA	22	17	13	55	Overcast
LISBON	28	22	17	64	Cloudy
LONDON	25	21	16	61	Fair

Readings from the previous 24 hours.

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INTERNATIONAL FUNDS
SEPTEMBER 15, 1982

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(1) Bank of America Fund	\$F 23.95	(1) Swiss Franc Fund	\$F 20.20
(2) Bank of America Fund	\$F 20.20	(2) Swiss Franc Fund	\$F 20.20
(3) Bank of America Fund	\$F 20.20	(3) Swiss Franc Fund	\$F 20.20
(4) Bank of America Fund	\$F 20.20	(4) Swiss Franc Fund	\$F 20.20
(5) Bank of America Fund	\$F 20.20	(5) Swiss Franc Fund	\$F 20.20
(6) Bank of America Fund	\$F 20.20	(6) Swiss Franc Fund	\$F 20.20
(7) Bank of America Fund	\$F 20.20	(7) Swiss Franc Fund	\$F 20.20
(8) Bank of America Fund	\$F 20.20	(8) Swiss Franc Fund	\$F 20.20
(9) Bank of America Fund	\$F 20.20	(9) Swiss Franc Fund	\$F 20.20
(10) Bank of America Fund	\$F 20.20	(10) Swiss Franc Fund	\$F 20.20
(11) Bank of America Fund	\$F 20.20	(11) Swiss Franc Fund	\$F 20.20
(12) Bank of America Fund	\$F 20.20	(12) Swiss Franc Fund	\$F 20.20
(13) Bank of America Fund	\$F 20.20	(13) Swiss Franc Fund	\$F 20.20
(14) Bank of America Fund	\$F 20.20	(14) Swiss Franc Fund	\$F 20.20
(15) Bank of America Fund	\$F 20.20	(15) Swiss Franc Fund	\$F 20.20
(16) Bank of America Fund	\$F 20.20	(16) Swiss Franc Fund	\$F 20.20
(17) Bank of America Fund	\$F 20.20	(17) Swiss Franc Fund	\$F 20.20
(18) Bank of America Fund	\$F 20.20	(18) Swiss Franc Fund	\$F 20.20
(19) Bank of America Fund	\$F 20.20	(19) Swiss Franc Fund	\$F 20.20
(20) Bank of America Fund	\$F 20.20	(20) Swiss Franc Fund	\$F 20.20
(21) Bank of America Fund	\$F 20.20	(21) Swiss Franc Fund	\$F 20.20
(22) Bank of America Fund	\$F 20.20	(22) Swiss Franc Fund	\$F 20.20
(23) Bank of America Fund	\$F 20.20	(23) Swiss Franc Fund	\$F 20.20
(24) Bank of America Fund	\$F 20.20	(24) Swiss Franc Fund	\$F 20.20
(25) Bank of America Fund	\$F 20.20	(25) Swiss Franc Fund	\$F 20.20
(26) Bank of America Fund	\$F 20.20	(26) Swiss Franc Fund	\$F 20.20
(27) Bank of America Fund	\$F 20.20	(27) Swiss Franc Fund	\$F 20.20
(28) Bank of America Fund	\$F 20.20	(28) Swiss Franc Fund	\$F 20.20
(29) Bank of America Fund	\$F 20.20	(29) Swiss Franc Fund	\$F 20.20
(30) Bank of America Fund	\$F 20.20	(30) Swiss Franc Fund	\$F 20.20
(31) Bank of America Fund	\$F 20.20	(31) Swiss Franc Fund	\$F 20.20
(32) Bank of America Fund	\$F 20.20	(32) Swiss Franc Fund	\$F 20.20
(33) Bank of America Fund	\$F 20.20	(33) Swiss Franc Fund	\$F 20.20
(34) Bank of America Fund	\$F 20.20	(34) Swiss Franc Fund	\$F 20.20
(35) Bank of America Fund	\$F 20.20	(35) Swiss Franc Fund	\$F 20.20
(36) Bank of America Fund	\$F 20.20	(36) Swiss Franc Fund	\$F 20.20
(37) Bank of America Fund	\$F 20.20	(37) Swiss Franc Fund	\$F 20.20
(38) Bank of America Fund	\$F 20.20	(38) Swiss Franc Fund	\$F 20.20
(39) Bank of America Fund	\$F 20.20	(39) Swiss Franc Fund	\$F 20.20
(40) Bank of America Fund	\$F 20.20	(40) Swiss Franc Fund	\$F 20.20
(41) Bank of America Fund	\$F 20.20	(41) Swiss Franc Fund	\$F 20.20
(42) Bank of America Fund	\$F 20.20	(42) Swiss Franc Fund	\$F 20.20
(43) Bank of America Fund	\$F 20.20	(43) Swiss Franc Fund	\$F 20.20
(44) Bank of America Fund	\$F 20.20	(44) Swiss Franc Fund	\$F 20.20
(45) Bank of America Fund	\$F 20.20	(45) Swiss Franc Fund	\$F 20.20
(46) Bank of America Fund	\$F 20.20	(46) Swiss Franc Fund	\$F 20.20
(47) Bank of America Fund	\$F 20.20	(47) Swiss Franc Fund	\$F 20.20
(48) Bank of America Fund	\$F 20.20	(48) Swiss Franc Fund	\$F 20.20
(49) Bank of America Fund	\$F 20.20	(49) Swiss Franc Fund	\$F 20.20
(50) Bank of America Fund	\$F 20.20	(50) Swiss Franc Fund	\$F 20.20
(51) Bank of America Fund	\$F 20.20	(51) Swiss Franc Fund	\$F 20.20
(52) Bank of America Fund	\$F 20.20	(52) Swiss Franc Fund	\$F 20.20
(53) Bank of America Fund	\$F 20.20	(53) Swiss Franc Fund	\$F 20.20
(54) Bank of America Fund	\$F 20.20	(54) Swiss Franc Fund	\$F 20.20
(55) Bank of America Fund	\$F 20.20	(55) Swiss Franc Fund	\$F 20.20
(56) Bank of America Fund	\$F 20.20	(56) Swiss Franc Fund	\$F 20.20
(57) Bank of America Fund	\$F 20.20	(57) Swiss Franc Fund	\$F 20.20
(58) Bank of America Fund	\$F 20.20	(58) Swiss Franc Fund	\$F 20.20
(59) Bank of America Fund	\$F 20.20	(59) Swiss Franc Fund	\$F 20.20
(60) Bank of America Fund	\$F 20.20	(60) Swiss Franc Fund	\$F 20.20
(61) Bank of America Fund	\$F 20.20	(61) Swiss Franc Fund	\$F 20.20
(62) Bank of America Fund	\$F 20.20	(62) Swiss Franc Fund	\$F 20.20
(63) Bank of America Fund	\$F 20.20	(63) Swiss Franc Fund	\$F 20.20
(64) Bank of America Fund	\$F 20.20	(64) Swiss Franc Fund	\$F 20.20
(65) Bank of America Fund	\$F 20.20	(65) Swiss Franc Fund	\$F 20.20
(66) Bank of America Fund	\$F 20.20	(66) Swiss Franc Fund	\$F 20.20
(67) Bank of America Fund	\$F 20.20	(67) Swiss Franc Fund	\$F 20.20
(68) Bank of America Fund	\$F 20.20	(68) Swiss Franc Fund	\$F 20.20
(69) Bank of America Fund	\$F 20.20	(69) Swiss Franc Fund	\$F 20.20
(70) Bank of America Fund	\$F 20.20	(70) Swiss Franc Fund	\$F 20.20
(71) Bank of America Fund	\$F 20.20	(71) Swiss Franc Fund	\$F 20.20
(72) Bank of America Fund	\$F 20.20	(72) Swiss Franc Fund	\$F 20.20
(73) Bank of America Fund	\$F 20.20	(73) Swiss Franc Fund	\$F 20.20
(74) Bank of America Fund	\$F 20.20	(74) Swiss Franc Fund	\$F 20.20
(75) Bank of America Fund	\$F 20.20	(75) Swiss Franc Fund	\$F 20.20
(76) Bank of America Fund	\$F 20.20	(76) Swiss Franc Fund	\$F 20.20
(77) Bank of America Fund	\$F 20.20	(77) Swiss Franc Fund	\$F 20.20
(78) Bank of America Fund	\$F 20.20	(78) Swiss Franc Fund	\$F 20.20
(79) Bank of America Fund	\$F 20.20	(79) Swiss Franc Fund	\$F 20.20
(80) Bank of America Fund	\$F 20.20	(80) Swiss Franc Fund	\$F 20.20
(81) Bank of America Fund	\$F 20.20	(81) Swiss Franc Fund	\$F 20.20
(82) Bank of America Fund	\$F 20.20	(82) Swiss Franc Fund	\$F 20.20
(83) Bank of America Fund	\$F 20.20	(83) Swiss Franc Fund	\$F 20.20
(84) Bank of America Fund	\$F 20.20	(84) Swiss Franc Fund	\$F 20.20
(85) Bank of America Fund	\$F 20.20	(85) Swiss Franc Fund	\$F 20.20
(86) Bank of America Fund	\$F 20.20	(86) Swiss Franc Fund	\$F 20.20
(87) Bank of America Fund	\$F 20.20	(87) Swiss Franc Fund	\$F 20.20
(88) Bank of America Fund	\$F 20.20	(88) Swiss Franc Fund	\$F 20.20
(89) Bank of America Fund	\$F 20.20	(89) Swiss Franc Fund	\$F 20.20
(90) Bank of America Fund	\$F 20.20	(90) Swiss Franc Fund	\$F 20.20
(91) Bank of America Fund	\$F 20.20	(91) Swiss Franc Fund	\$F 20.20
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PEANUTS



B. C.



BLONDIE



BEETLE BAILEY



ANDY CAPP



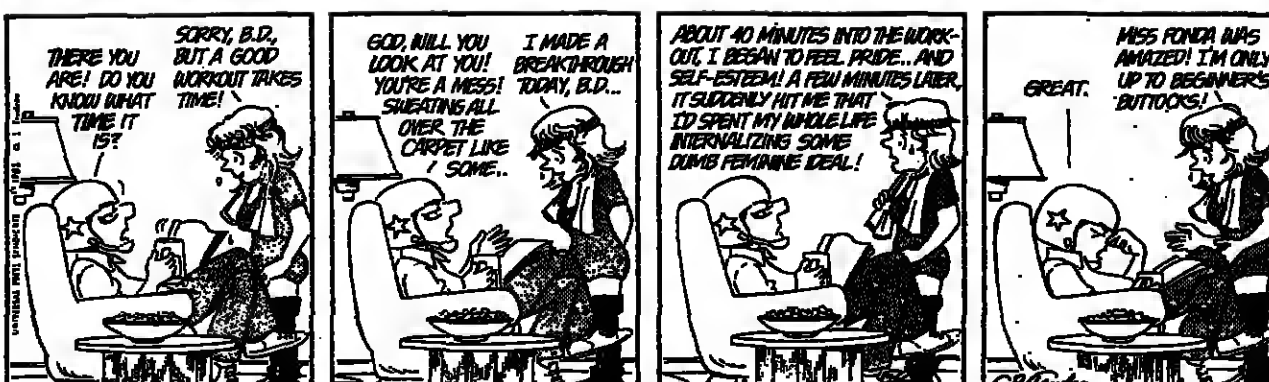
WIZARD OF ID



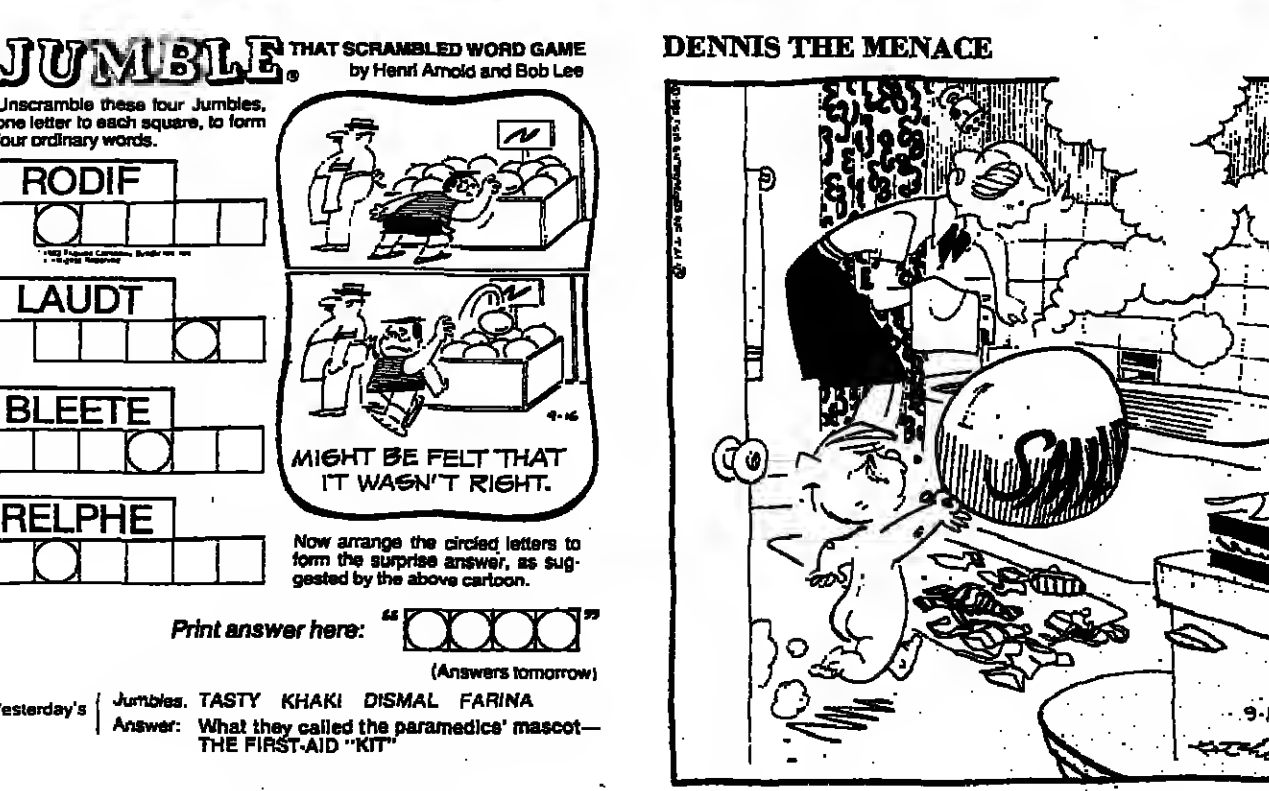
REX MORGAN



DOONESBURY



JUMBLE



BOOKS

INDECENT EXPOSURE: A True Story of Hollywood

By David McClintock. Illustrated. 544 pp. \$17.50.

William Morrow, 6 Henderson Drive, West Caldwell, N.J. 07006.

Reviewed by Robert Lindsey

WHEN it became known in 1978 that David McClintock, then a reporter for The Wall Street Journal, was planning to write a book about the Columbia Pictures embezzlement scandal that in some circles came to be known as "Beleaguer," reporters who had worked on the story wondered what could be left to say. The event had already been the subject of an orgy of reportage whose excesses were an embarrassment to much of the press. And, in practical terms, how could McClintock get to the bottom of the story? He would have to penetrate the kind of secrecy that shrouds the internal machinations of major corporations in the best of times and becomes impenetrable when there is something to hide.

What the skeptics did not anticipate was that McClintock would apply with diligence one of the most fundamental techniques of journalism — the knowledge that in almost any dispute there's someone willing to tell his side of the story, if for no other reason than to place himself in the most favorable light.

The 1977 embezzlement of \$61,008 by David Begelman, who was president of the motion-picture and television divisions of Columbia Pictures Industries Inc., was perhaps a trivial moment in the history of American business. But McClintock set out to tell a larger story in which the embezzlement was only the seed that grew into a dramatic, angry, and Michalievian battle for control of a corporation's destiny.

This is first-class reporting. The familiar elements of the case are there: the discovery by actor Cliff Robertson that Columbia had reported to the Internal Revenue Service a \$10,000 payment he hadn't received; the revelation that Begelman had forged Robertson's name on a check and embezzled the money; the effort by Alan J. Hirschfeld, president of Columbia's parent corporation, to fire Begelman, and finally the dismissal of Hirschfeld by the board.

Skeleton of Events

But from this skeleton of events McClintock has produced a finely detailed drama — part soap opera, part detective story — that offers a rare look into the inner workings of a corporation. Hirschfeld is depicted as a man who, once the embezzlement was discovered, had no doubts that Begelman should be removed. But he ran into resistance from Herbert Allen Jr., the Wall Street financier whose family controlled Columbia and who had got him the top job there, and from Matty Rosenblum, a board member and major stockholder who viewed Begelman's acts as psychic aberrations, not crimes.

They assured Hirschfeld that he was running the company, but in passages filled with what is reported to be verbatim dialogue, they are shown trying at every turn to make him keep Begelman in his position. When he did not go along with them, corporate guerrilla warfare broke out. Hirschfeld discovered that his wife, Bette, was the target of an investigation by the board of directors, which he labeled "blackmail." He responded by trying to sell the company out from under Allen. Lurking behind the confrontation, somehow pulling the strings on behalf of Begelman, was Ray Stark, the Hollywood producer, who appears in this book to have a sinister influence in the affairs of the

company. In the end, both Begelman and Hirschfeld left Columbia.

It is not as though all these people were strangers. Hirschfeld's career began when he was little more than a youth who went to work for Charles Allen, Herbert's uncle, a controversial Wall Street wizard; in fact, at one time Hirschfeld managed the Allen family's financial holdings. His own father and Charles Allen had been friends when they were young, so there were deep family ties between Hirschfeld and Herbert Allen, who was younger than he and the heir to the Allen fortunes. In addition, Ray Stark had long been a friend of the Allens and is portrayed as viewing Herbert Allen as a surrogate son after his own son died. Anger, suspicion and jealousy of a kind that grows only with deep familiarity give a venomous power to almost every utterance of the principals in this corporate fight.

The story is enhanced, perhaps, because it involves Hollywood, and McClintock provides a sophisticated account of how modern Hollywood works (not too differently, he says, from the old Hollywood). But the story he unfolds with considerable skill is fundamentally a human one with a universal theme — competition for power and wealth. Except perhaps for Robertson, whose outrage started it, it is a story with no heroes: certainly not Begelman, who, by the time the narrative of corporate warfare advances very far, has become little more than an offstage character; nor Herbert Allen Jr., who engineered Hirschfeld's fall, nor the sycophants and henchmen on rival sides of the dispute. By and large, the book is populated by dispassionate people.

Hirschfeld is portrayed as an executive who suffered from occasional lapses of decisiveness, empathy and common sense, but on the whole he is treated sympathetically, a moral man fighting against amoral men. The story is seen largely through his eyes — apparently because he gave McClintock access to his intimate thoughts, his personal files and records — and the eyes of his friends. In reading the story of the bitter strife that erupted between him and Allen, one suspects that Hirschfeld must be pleased that he made the decision to give such access to the author, a decision that in a sense gives him the last word; and one wonders if a different story might have emerged if Allen had provided equal access.

Perhaps half the book consists of direct quotations, which, the author explains in a section on his sources, are based on interviews with participants in the conversations, but not with all the participants. In time, one begins to grow suspicious of the steady flow of precisely recalled dialogue. One wants to ask McClintock: How do you know that's what the other person said? Yet in responsible hands, reconstruction of dialogue based on interviews is a largely acceptable technique, and given the meticulous research that McClintock appears to have invested in other elements of his narrative, one is tempted to take him at his word. McClintock's book is an inside story of corporate Hollywood, to be sure, but it is much more than that: it is filled with insights that should make it fascinating to readers who might have little interest in business or the films but who care about how people live and about what they do to one another.

Robert Lindsey is chief of the Los Angeles bureau of The New York Times and author of "The Falcon and the Snowman."

Chinese Issue Gold Coins

BEIJING — China has begun issuing gold coins engraved with a panda motif for sale abroad, the People's Bank of China has announced. The coins contain 99.9 percent pure gold and come in four sizes — one ounce, and a half, quarter and tenth of an ounce. They bear the image of the giant panda, China's unofficial mascot, on one side, and of Beijing's Temple of Heaven on the reverse.

BRIDGE

By Alan Truscott

VIRTUALLY all American experts nowadays employ the negative double, devised by Alvin Roth in the 1950's. Its use has obvious advantages, but it introduces some gray areas. A point that is often overlooked is the precise meaning of a negative double when an opening bid of a minor suit has been overcalled with one heart. The traditional view, espoused by the inventor of the convention, is that a double shows spades but lacks the strength for free positive action.

The standard meaning is that a double shows exactly four spades and a bid of one spade at least five. And a small hypermodern group bids one spade with any four-card suit and reserves the negative double for a moderate hand containing length in the unbid minor.

A failure to agree about this point led to trouble for North-South on the diagrammed deal. North doubled over one heart, lacking the strength for a

NORTH		EAST	
♠ 7542	♥ A	♠ 1063	♥ 95
♦ 7	♣ 97	♦ 1054	♣ K83
WEST		SOUTH	
♠ KQ	♥ 7542	♠ A784	♥ Q784
♦ KJ1083	♣ 872	♦ 872	♣ J
♠ QJ1054	♥ 87542	♠ K863	♥ A784
SOUTH (DE)		NORTH	
♠ A784	♥ Q784	♠ KQ	♥ 7542
♦ 872	♣ J	♦ KJ1083	♣ 872
♠ QJ1054	♥ 87542	♠ K863	♥ A784

The lead of the last diamond squeezed West "without the count." To preserve his protection in the major suits West threw a club, so South was able to make his contract by playing the ace and another spade.

This was an artistic triumph but practical disaster, for in the replay the opposing team bid and made for a normal contract. The opposing team gained one interaction.

